

No. 17/30/DPSP

Jakarta, 13 November 2015

**CIRCULAR LETTER**

Subject : Operation of Real Time Fund Settlement through Sistem Bank  
Indonesia-Real Time Gross Settlement

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In connection with the enactment of Bank Indonesia Regulation Number 17/18/PBI/2015 concerning Bank Indonesia Operated Systems for Management of Transactions, Administrations of Securities, and Real-Time Fund Settlement (State Gazette of the Republic of Indonesia of 2015 Number 273, Supplement to State Gazette of the Republic of Indonesia Number 5762), it is necessary to establish the implementing regulation on real time Fund Settlement through Bank Indonesia-Real Time Gross Settlement in Bank Indonesia Circular Letter as follows:

I. GENERAL PROVISIONS

In this Circular Letter:

1. Sistem Bank Indonesia-Real Time Gross Settlement (Bank Indonesia-Real Time Gross Settlement System), hereinafter referred to as Sistem BI-RTGS, is an infrastructure used as means of electronic Fund Transfer which settlement is conducted on transaction-by-transaction basis in real-time.
2. Fund Transfer through Sistem BI-RTGS, hereinafter referred to as Fund Transfer, means a series of activities starting from an instruction from sending Participant intending to move some fund

to...

to receiving Participant which name is mentioned in the Fund Transfer instruction until the fund is received by the beneficiary.

3. Bank Indonesia-Scripless Securities Settlement System, hereinafter referred to as BI-SSSS, means an infrastructure used as means of Transaction Administration and Administration of Securities conducted electronically.
4. Sistem BI-RTGS Operator, hereinafter referred to as the Operator, means Bank Indonesia which operates a system in real time Fund Settlement through Sistem BI-RTGS.
5. Sistem BI-RTGS Participant, hereinafter referred to as Participant, means any party who has fulfilled the requirements and obtained the approval of the Operator as participant in Sistem BI-RTGS operation.
6. Fund Settlement Account, means Sistem BI-RTGS Participant's account denominated in Rupiah and/or any foreign currencies administered in Bank Indonesia for Fund Settlement operation.
7. Current Account means the current account as determined in Bank Indonesia Regulation on current accounts in Bank Indonesia.
8. Representative Official means an official authorized to represent Current Account owner to withdraw fund, sign letters, and/or conduct activities related to Current Account in Bank Indonesia and Sistem BI-RTGS participation consisting of Management and/or Proxy Officials.

9. Management means any director or official authorized to represent in Sistem BI-RTGS participation and Current Account relations under the applicable regulations for every Current Account owner as determined in Bank Indonesia regulation on current account in Bank Indonesia.
10. Proxy Official means Proxy Official without Substitution Right and/or Proxy Official with Substitution Right.
11. Proxy Official without Substitution Right means an official granted with special power without substitution right from Management or Proxy Official with Substitution Right to withdraw fund, sign letters, and/or conduct activities related to Current Account relations with Bank Indonesia and Sistem BI-RTGS participation.
12. Proxy Official With Substitution Right means an official granted with special power with 1 (one) substitution right from the Management to withdraw fund, sign letters, and/or conduct activities related to Current Account relations with Bank Indonesia and Sistem BI-RTGS participation.
13. Fund Settlement means the final settlement process of financial transaction by debiting and crediting Fund Settlement Account.
14. RTGS Central Node, hereinafter referred to as RCN, means Sistem BI-RTGS in the Operator side providing administration function for Fund Settlement Account, Fund Settlement, and other functions in Sistem BI-RTGS operation.
15. RTGS Participant Platform, hereinafter referred to as RPP, means Sistem BI-RTGS in the Participant side connected to RCN and

used...

used by the Participant to conduct Fund Settlement instruction, access information, and/or manage the Participant's data.

16. Bank means Commercial Bank as specified in the Law on banks, including branch offices of banks overseas and Sharia Banks including Sharia Business Units as specified in the Law on sharia banks.
17. Sharia Business Unit, hereinafter referred to as UUS, means Sharia Business Units as specified in the Law on sharia banks.
18. Connected User means any user administered and provided by the Operator to the Participant in order to access RCN through RPP and have Digital Certificate for security mechanism for Fund Settlement instruction delivery from RPP to RCN as well as receipt and delivery of administrative messages from and to RCN.
19. Unconnected User means any user registered by the Participant with RPP, which functions to construct instruction and conduct local activities, but unable to send instruction to RCN.
20. Digital Certificate means certificate in the form of protected file containing certificate owner identity, encryption key to verify the owner's digital signature, and certificate validity period generated by Bank Indonesia Public Key Infrastructure.
21. Digital Certificate Hard Token means Digital Certificate stored in the eToken USB medium.
22. Digital Certificate Soft Token means Digital Certificate stored in the read-only optical medium which will be installed in RPP server.

23. United States Dollar Clearing House Automated Transfer System, hereinafter referred to as USD CHATS, means real time gross settlement system of Fund Transfer in United States Dollar in Hong Kong.
24. Payment-versus-Payment United States Dollar/Indonesian Rupiah mechanism, hereinafter referred to as USD/IDR PvP, means the mechanism to settle inter-Participant trading transactions of United States Dollar against rupiah, where the simultaneous settlement is conducted for both currency in RCN (for rupiah) and computer system of the operator of USD CHATS in Hong Kong (for United States Dollar).
25. Payment-versus-Payment, hereinafter referred to as PvP, means Fund Settlement mechanism in Rupiah in Sistem BI-RTGS for inter-Participant trading transactions in United States Dollar against Rupiah.
26. Queueing System means a mechanism regulating the order of Fund Settlement for unsettled transaction in Sistem BI-RTGS.
27. Guest Bank Facility means facility provided by the Operator for Participant as a *back-up* in the event of Unforeseeable Conditions and/or Emergency Condition which make the Participant unable to use Sistem BI-RTGS in the Participant's location.
28. Unforeseeable Condition means the situation or condition occurring due to any failure of or damage to hardware, software, communication network, application, and supporting facilities of Sistem BI-RTGS affecting smooth operation of Sistem BI-RTGS.

29. Emergency...

29. Emergency Condition means any condition occurring beyond the control of the Operator and/or Participant resulting in non-operation of Sistem BI-RTGS due to, but not limited to, fire, riots, sabotage, and natural disasters, such as earthquakes and floods, declared by the authority or competent local official, including Bank Indonesia.

## II. OPERATOR

### A. Operator Organization

1. Operator means Bank Indonesia c.q. Payment System Management Department (DPSP).
2. Correspondence related to operation activities intended to the Operator under the following provisions:
  - a. Activities related to participation and operation of Sistem BI-RTGS operation are addressed to:  
  
Bank Indonesia  
  
Payment System Management Department  
  
Fund Settlement and Securities Operation Division  
  
Building D 3rd Floor  
  
Jalan M.H. Thamrin No. 2  
  
Jakarta 10350
  - b. Correspondence related to the monitoring of Participant compliance with Sistem BI-RTGS operation are addressed to:  
  
Bank Indonesia

Payment System Management Department

Compliance of Participant, Bank Indonesia's Operated

Payment System, and Internal Management Division

Building D 3rd Floor

Jalan M.H. Thamrin No. 2

Jakarta 10350

3. The Operator provides help desk to handle Sistem BI-RTGS operational issues faced by Participant at the following numbers:

Phone : 021 2981 8888

Facsimile: 021 231 0485

4. In the event the addresses mentioned in number 2 and/or the phone and/or facsimile number mentioned in number 3 changes, the Operator will notify such change by sending a letter and/or other means.

#### B. Duties and Authorities of the Operator

For Sistem BI-RTGS operation, the Operator conducts the following:

1. Determine the provisions and procedures for Sistem BI-RTGS operation.
2. Provide the following Sistem BI-RTGS facilities and infrastructures:
  - a. hardware of the Operator and RCN application (software);
  - b. one Data Communication Network (JKD) connecting Main RPP and RCP;

c. RPP...

- c. RPP application and its enhancement, as well as Sistem BI-RTGS Operation Guidebook delivered by the Operator by letter and/or other means;
  - d. Guest Bank facility; and
  - e. other supporting facilities and infrastructures, including for operation of Fund Settlement mechanism in USD/IDR PvP in Sistem BI-RTGS.
3. Conduct Sistem BI-RTGS operational activities according to the specified time, among others are:
- a. conduct real time Fund Settlement activities for Fund Transfers; and
  - b. provide data/information on the result of real time Fund Settlement for Fund Transfers.
4. Make efforts to guarantee the reliability, availability, and security of Sistem BI-RTGS operation, among others are:
- a. manage and operate RCN;
  - b. provide help desk to handle operational issues in Sistem BI-RTGS operation and/or JKD;
  - c. provide services related to participation in Sistem BI-RTGS;
  - d. determine the operational time of Sistem BI-RTGS operation;
  - e. have minimum service standards for Sistem BI-RTGS operation, among others are time service standard for

participation...



- participation and service standard in Sistem BI-RTGS operation;
  - f. determine and establish provisions and procedures for Unforeseeable Conditions and/or Emergency Condition;
  - g. provide training to Participant candidate and periodic training to Participant; and/or
  - h. determine the participation status of Participant.
- 5. Monitor Participant compliance with the provisions and procedures determined by the Operator.
  - 6. Establish and impose administrative sanctions.
  - 7. Determine the limit of transaction nominal value allowed in Sistem BI-RTGS, if necessary.
  - 8. Determine types and cost of Sistem BI-RTGS operation, including the maximum cost limit imposed by a Participant on a customer.

### III. PARTICIPATION

#### A. General Principles

- 1. Parties which may become Participants are:
  - a. Bank Indonesia;
  - b. Banks
  - c. clearing and/or settlement operators approved by Bank Indonesia; and
  - d. other institutions approved by the Operator.

2. Other...

2. Other institutions approved as Participants by the Operator as specified in point 1.d are those supporting:
  - a. safer and more efficient settlement of payment transactions, securities transactions, and financial market transactions; and/or
  - b. effective monetary policy operation by Bank Indonesia.
3. If the Participant set forth in point 1.b. is a Bank carrying on conventional business activities simultaneously with business activities under sharia principles in the form of UUS, their participation in Sistem BI-RTGS operation for conventional business activities shall be separated from that in business activities under sharia principles.

B. Requirements as Participants

1. Participant candidates shall fulfill the following requirements:
  - a. have a Current Account in Bank Indonesia in accordance with Bank Indonesia regulation on current accounts in Bank Indonesia;
  - b. have a valid business license from the competent authority;
  - c. are not in the liquidation process or bankruptcy;
  - d. the Participant candidate's Management has been declared to pass fit and proper test conducted by the competent supervisory institution or has obtained approval of the competent supervisory institution;

e. have...

- e. have an audit result report of their internal system security in the last 1 (one) year if their internal system will be connected with Sistem BI-RTGS;
  - f. clearing and/or settlement operators and other institutions which is Indonesian Legal Entity shall fulfill the following additional requirements:
    - 1) fulfill the capital requirement in accordance with valid provisions or have recommendation from the relevant supervisory institution;
    - 2) the Participant candidate's Management is not included in a non-performing loan list and national black list issued by the competent institution; and
    - 3) the Participant candidate's Management has never been punished for any crime in banking, finance, and/or money laundering under the final and binding court decision.
2. In addition to fulfill the requirements set forth in number 1, the Participant candidate shall provide infrastructure to access Sistem BI-RTGS according to the RPP infrastructure specification set forth in Appendix I.
3. In the event the infrastructure set forth in number 2 is managed by another party, the Participant candidate shall fulfill the following requirements:
- a. have a statement letter from the other party on the usage of its infrastructure by such Participant candidate;

b. have...

b. have a cooperation agreement on the usage of infrastructure with another party managing the Sistem BI-RTGS infrastructure, which shall at least contain the following:

- 1) arrangement of right and obligation between the Participant candidate and the other party;
  - 2) obligation of confidentiality and/or misuse of data and information;
  - 3) transaction mechanism in normal and Unforeseeable Conditions and/or Emergency Condition at the Participant candidate or the other party;
  - 4) arrangement of dispute resolution between the Participant candidate and the other party;
  - 5) fee of infrastructure usage charged to the Participant candidate;
  - 6) grant access to the Operator related to the Participant candidate to conduct on-site examination of:
    - a) physical facilities;
    - b) supporting application of the Participant candidate related to Sistem BI-RTGS; and/or
    - c) operational activities conducted by the Participant candidate and/or the other party;
- and

7) statement...

7) statement that the agreement is not in contravention of Bank Indonesia provisions.

4. In the event the Participant candidate is an UUS and uses the infrastructure of its parent Bank, which becomes Participant, the arrangement clause set forth in point 3.b shall be specified in a written Bank internal policy and procedure.

C. Procedure for Becoming a Participant

The procedure for becoming a Participant in Sistem BI-RTGS operation is specified as follows:

1. The Participant candidate submits application to the Operator to become a Participant by using the format set forth in example II.1 in Appendix II.
2. In the event the Participant candidate does not have a Current Account in Bank Indonesia as set forth in point B.1.a, such Participant candidate shall open a Current Account in Bank Indonesia which procedure and requirement are in accordance with Bank Indonesia procedures and provisions on current account in Bank Indonesia. The application for becoming Participant and open a Current Account may be lodged at the same time.
3. In the event the Participant candidate is an UUS, it shall be stated that the application is lodged by the Commercial Bank for UUS by using the format set forth in example II.1 in Appendix II.

4. The application set forth in number 1 shall be completed with the following documents:
  - a. copy of a valid business license from the competent institution, the license of which has been certified by the competent official or authenticated by the relevant Management;
  - b. statement from a Participant candidate's Management, declaring that the Participant candidate is not in any liquidation process or bankruptcy by using the format in example II.2 in Appendix II;
  - c. statement from a Participant candidate's Management, declaring RPP infrastructure readiness by using the format in example II.3 in Appendix II;
  - d. in the event the Participant candidate uses another party's infrastructure, the application set forth in number 1 shall be completed with the following additional documents:
    - 1) statement from the other party on the usage of their infrastructure by the Participant candidate by using the format set forth in example II.4 in Appendix II; and
    - 2) statement from a Participant candidate declaring that they have an agreement on use of Sistem BI-RTGS infrastructure managed by another party by

using...

using the format set forth in example II.5 in Appendix II;

- e. copy of fit and proper test decision of the Participant candidate's Management issued by the relevant supervisory institution or Management composition according to the latest condition approved by the relevant supervisory institution;
- f. in the event the Participant candidate is a clearing and/or settlement operator and the other institution which is Indonesian Legal Entity, submit the following additional documents:
  - 1) copy of document evidencing that the Participant candidate is not included in a non-performing loan list issued by the relevant supervisory institution;
  - 2) statement from the Participant candidate Management declaring that the management:
    - a) is not included in a non-performing loan list and national black list issued by the competent institution; and
    - b) has never been punished for any crime in banking, finance, and/or money laundering under the final and binding court decision;
  - 3) statement from Participant candidate's Management on the latest capital fulfillment;

g. application...

- g. application from the Management to obtain administrator user, Connected User, and Digital Certificate by using the format set forth in example II.6 in Appendix II;
  - h. participation data by using the format set forth in Appendix III; and
  - i. report on the result of security audit on the Participant candidate's internal system conducted by an internal auditor or independent auditor if such internal system will be connected with Sistem BI-RTGS. If the security audit is conducted by an internal auditor, completed with written statement from the Management declaring that the security audit is conducted independently.
- 5. The application set forth in number 1 is signed by a Participant candidate's Management and submitted to the Operator at the address mentioned in point II.A.2.a.
  - 6. For Participant candidate headquartered in the operational area of KPwDN, the application is submitted to the Operator and the copy is delivered to the relevant KPwDN.
  - 7. If necessary, the Participant candidate shall provide the original documents required under the regulation on current account in Bank Indonesia set forth in number 2 and the document requirements set forth in point 4.a, 4.e, and 4.f.1) to the Operator.



8. Based on the application set forth in point 1, the Operator may check to the Participant candidate's location to ensure among others that information on the submitted documents matches Sistem BI-RTGS infrastructure readiness.
9. The Operator grants a principle approval for or rejection of a Participant candidate's application set forth in number 1 no later than 25 (twenty five) business days as from the application and documents set forth in number 4 are received completely by the Operator under the following provisions:
  - a. in the event the Participant candidate's application is not approved, the Operator will submit a notice of such rejection and the reasons therefor.
  - b. in the event the Participant candidate's application is approved, the Operator will submit a principle approval containing among others:
    - 1) holder name and number of Current Account;
    - 2) participant code;
    - 3) training activity;
    - 4) installation activity;
    - 5) other mandatory steps to be taken by the Participant candidate:
      - a) complete the required documents for operation of Sistem BI-RTGS operational activities;
      - b) sign...

- b) sign an agreement on Sistem BI-RTGS usage by using the agreement format set forth in Appendix IV; and
    - c) fulfill other requirements specified by the Operator.
  - c. Participant candidate obtaining the principle approval shall fulfill:
    - 1) the required administrative documents for conducting Sistem BI-RTGS operational activities set forth in point b.5).a) and b.5).b); and
    - 2) other requirements determined by the Operator.
10. The documents set forth in point 9.c.1) consist of:
- a. Notice of the name and position of the Management, who will sign the Sistem BI-RTGS usage agreement by using the format set forth in example II.7 in Appendix II.  
  
In the event the agreement is not signed by the Management, a power of attorney from the Management is required by using the format set forth in example II.8 in Appendix II.
  - b. Notice of Management's authority by using the format set forth in example II.9 in Appendix II.
  - c. Power of attorney related to the participation and operation of Sistem BI-RTGS is governed under the following provisions:

- 1) The Management may grant power to the Proxy Official without Substitution Right or Proxy Official with Substitution Right 1 (one) time.
- 2) The power of attorney set forth in number 1) applies for 1 (one) Bank Indonesia office.
- 3) The power of attorney set forth in number 1) includes the following activities:
  - a) fund withdrawal through Bank Indonesia Cheque (BI Cheque) for cash withdrawal and Bank Indonesia Bilyet Giro (BGBI) for fund transfer;
  - b) manage administrator user, Connected User, Digital Certificate Hard Token, and/or Digital Certificate Soft Token;
  - c) signing of letters, reports, and/or other documents, both written and electronic, related to Current Account in Bank Indonesia and participation and operation in Sistem BI-RTGS; and/or
  - d) other matters as follows:
    - (1) physical money withdrawal, both by debiting Current Account denominated in Rupiah through Sistem BI-RTGS and by BI Cheque, and signing of letters and/or

documents...

documents related to physical money withdrawal;

(2) delivery and/or claim of administrative user, Connected User, Digital Certificate Hard Token, and/or Digital Certificate Soft Taken;

(3) delivery and/or claim of BI Cheque and BGBI book;

(4) delivery and/or claim of letters, reports, and other documents, both written and electronic, related to Current Accounts, participation, and the operation of Sistem BI-RTGS .

The format of power of attorney from the Management to the Proxy Official as set forth in example II.10 in Appendix II. <PER 20160418>

4) The Management or Proxy Official With Substitution Right may confer power without substitution right on officer in the headquarter or branch office of the Participant candidate only for the following:

- a) to conduct physical money withdrawal as set forth in point 3).d).(1) by using the format as set forth in example II.11 in Appendix II; and
- b) to take and deliver the documents set forth in point 3).d).(3) and 3).d).(4) according to the

Participant...

Participant candidate's requirement and may be specified in one or more power of attorney in the format as set forth in example II.12 in Appendix II.

- 5) The number of Proxy Official or proxy officer is governed under the following provisions:
  - a) The number of Proxy Official set forth in point 1) for fund withdrawal and to take actions set forth in point 3) is governed as follows:
    - (1) at Bank Indonesia Headquarter (KPBI): 10 (ten) Proxy Officials at the maximum; and
    - (2) at each Domestic Bank Indonesia Representative Office (KPwDN): 5 (five) Proxy Officials at the maximum.
  - b) The number of proxy officers from Management or Proxy Official With Substitution Right to make physical money withdrawal as set forth in point 3).d).(1) is governed as follows:
    - (1) at KPBI: in accordance with the provisions for cash withdrawal Queueing System in Money Management Department (DPU); or
    - (2) at each KPwDN: 10 (ten) proxy officers at the maximum.

- The number of officer for physical money withdrawal, including a third party officer appointed to make physical money withdrawal.
- c) The number of proxy officer set forth in point 4)b) to deliver and take the documents set forth in point 3)d)(3) and 3)d)(4) is 10 (ten) at the maximum for each Bank Indonesia office.
  - 6) The power of attorney set forth in point 3).d) may be made in 1 (one) or more power of attorney according to a Participant candidate's requirement.
  - 7) The power of attorney set forth in point c.1) and c.4) is accompanied by a copy of valid identity as follows:
    - a) Resident's Identity Card (KTP), Driving License (SIM) or passport for Indonesian Citizen (WNI);  
or
    - b) Passport, Temporary Residence Permit (KITAS), and work permit from the relevant institution for Foreign Citizens (WNA).
  - d. Request letter from Representative Official to make a signature specimen for:
    - 1) Representative Official to conduct the actions set forth in point c.3); and
    - 2) proxy officer from the Management or Proxy Official With Substitution Right to make physical money

withdrawal...

withdrawal set forth in point c.3).d).(1), primarily for Participant candidates in the KPwDN area.

The request letter from Representative Official to make signature specimen by using the format set forth in example II.13 in Appendix II.

11. Primarily for proxy officer from the Management or Proxy Official With Substitution Right to conduct the actions set forth in point 10.c.3).d).(3) until 10.c.3).d).(4), signature specimen is not necessary.
12. Participant candidate submits the documents set forth in number 10 to the Operator to the address set forth in point II.A.2.a.
13. If there is any administrative document lacking for conducting Sistem BI-RTGS operational activities, the Operator will inform to the Participant candidate by mail, phone, or other means.
14. Based on the administrative documents submitted by the Participant candidate as set forth in number 10, the Operator will submit a letter informing matters related to the signing of Sistem BI-RTGS usage agreement, preparation of signature specimen of the Management and proxy official or officer of the Management, taking of administrator user and Digital Certificate, training time for Sistem BI-RTGS usage, and JKD installation time.

15. Based...

15. Based on the letter set forth in number 14, Participant candidate will conduct the following:
  - a. sign Sistem BI-RTGS usage agreement;
  - b. take documents of administrator user, Connected User, Digital Certificate Hard Token, and/or Digital Certificate Soft Token by a Representative Official and has signature specimen in Bank Indonesia;
  - c. involve an officer to handle RPP technical operation of Participant candidate in a technical training and operational usage of Sistem BI-RTGS; and
  - d. conduct connection test of Participant candidate's Sistem BI-RTGS with the Operator's Sistem BI-RTGS by using the installed RPP.
16. Participant candidate must complete the documents set forth in number 10 and perform the provisions set forth in number 15 within 60 (sixty) business days at the maximum as from the principle approval of the Operator set forth in point 9.b.
17. In the event the Participant candidate fails to meet the requirements within the time limit as set forth in number 16:
  - a. the principle approval as Participant issued by the Operator will not be valid; and
  - b. the Participant candidate shall return the RPP application, Sistem BI-RTGS Operation Guideline Book, administrator user, Connected User, and Digital Certificate to the Operator to the address set forth in

point...



point II.A.2.a within 7 (seven) business days at the maximum as from the approval invalidity.

18. The Operator will notify in writing of the participation operational approval as Participant and the operational effective date as the Participant to:

- a. such Participant candidate by mail; and
- b. all Participants through administrative message or other means,

within 14 (fourteen) business days at the maximum after the Participant candidate perform the provisions set forth in number 16.

D. Procedures and Requirements for Becoming USD/IDR PvP User

The provisions and procedures of USD/IDR PvP use as follows:

- 1. In the operation of USD/IDR PvP between RCN and computer system of USD CHATS operator connected through information and communication technology infrastructures consisting of Indonesian Rupiah Cross Currency Payment Matching Processor (IDR CCPMP), United States Dollar Cross Currency Payment Matching Processor (USD CCPMP), and communication network connecting RCN with USD/IDR PvP information technology infrastructure in Hong Kong.
- 2. Participant which may use USD/IDR PvP must fulfill the following criteria:
  - a. for Banks, have permit to conduct foreign exchange activities issued by the competent authority.

b. for...

- b. for non-Bank institutions, obtain approval of the Participant's activity supervisory institution to use USD/IDR PvP Mechanism.
  - c. the Participant is an USD CHATS participant, either as a Direct Participant (DP) or Indirect CHATS User (ICU) set forth in the provision governing USD CHATS.
3. The procedures to become Participant using USD/IDR PvP are governed as follows:
- a. Participant lodges an application letter to the Operator to become an USD/IDR PvP user participant by submitting the following required documents:
    - 1) for Bank, submitting documents which may evidence that the Bank may conduct foreign exchange activities, among others is a copy of approval letter as a foreign exchange bank from the competent institution certified by the competent official or authenticated by the Representative Official;
    - 2) for non-Bank party, submitting a copy of approval letter of the competent supervisory authority certified by the competent official or authenticated by the Representative Official;
    - 3) a letter declaring that Participant is an USD CHATS participant, either as a DP or ICU, completed with

supporting...

supporting documents evidencing that the Participant is an USD CHATS participant;

4) submit information on:

a) Society for Worldwide Interbank Financial Telecommunication (SWIFT) Bank Identifier Code (BIC) of a Participant;

b) SWIFT BIC of:

(1) settlement institution, for a DP; or

(2) correspondent bank, for an ICU.

b. The application letter set forth in letter a is signed by the Representative Official with a signature specimen in Bank Indonesia. The said letter submitted to the Operator under the following provisions:

1) the letter is submitted to the address set forth in point II.A.2.a; and

2) for Participant domiciled within the operational area of KPwDN, the application is submitted and the copy thereof is delivered to the relevant KPwDN.

c. The Operator will submit a written response to the Participant within 14 (fourteen) business days at the maximum under the following provisions:

1) If the application set forth in letter a is rejected, the rejection will be submitted by letter specifying the rejection reasons.

2) If...

2) If the application set forth in letter a is approved, the Operator will submit to the Participant an approval letter to use USD/IDR PvP together with a notice of the Participant's effective date as an USD/IDR PvP user.

d. The written notice set forth in point c.2). is also submitted by the Operator to all Participants through administrative messages or other means determined by the Operator.

E. Participation Status and Its Change

1. Participation Status

Participation statuses in Sistem BI-RTGS for Participants are divided into:

a. Active

Participant with active participation status may perform all functions in Sistem BI-RTGS operation with an access right of such Participant.

b. Suspended

Participants with suspended status:

- 1) may perform the function to access data and/or information on RCN through RPP application;
- 2) may not conduct particular activities in Sistem BI-RTGS according to the limit determined by the Operator; and

3) may...

- 3) may send or receive Fund Settlement instructions however the fund settlement process of the said instruction is deferred according to the limit set forth in number 2) and will be re-processed by Sistem BI-RTGS according to the procedure after the Participant status is active.

c. Freeze

Participants with freeze participation status:

- 1) may perform the function to access data and/or information on RCN through RPP application; and
- 2) may not send and receive Fund Transfer instructions through Sistem BI-RTGS.

d. Closed

Participant with closed status is that which participation in Sistem BI-RTGS operation is permanently stopped and they may not perform all functions in Sistem BI-RTGS operation.

2. Participation Status Change

- a. Provisions for participation status change are specified as follows:

- 1) Participation status change for Participants may be made from:
  - a) active into suspended and vice versa;
  - b) active into freeze;
  - c) active into closed;

- d) suspended into freeze; or
  - e) freeze into closed.
- 2) The participation status change set forth in number 1) is made:
- a) for administrative sanction imposition by the Operator;
  - b) based on a written request from the party competent in supervision of Participants' activities; among others are Bank Indonesia as a macroprudential and payment system supervisory authority, and Financial Services Authority (OJK) as the microprudential supervisory authority, under the following considerations:
    - (1) breach of the applicable laws and regulations;
    - (2) preventive measures against possible risks, which may be detrimental to the Participant's business continuity; and/or
    - (3) suspension of the Participant's business activities, business revocation, insolvency decision, and/or liquidation;
  - c) a written request from the relevant Participant is based on among others self-liquidation, merger, consolidation, spin off approved by the competent...

- competent authority, resignation as a Participant or any other reasons under the applicable laws and regulations and has been approved by the Operator or the relevant supervisory institution.
- 3) The participation status change at the Participant's request set forth in point 2).c) is possible only from active into closed.
  - 4) Requirements for participation status change into closed must comply with the following provisions:
    - a) Participant shall settle all transaction conducted through BI-ETP System, BI-SSSS, Sistem BI-RTGS, and Bank Indonesia National Clearing System (SKNBI), which Fund Settlement is conducted through Sistem BI-RTGS;
    - b) Participant shall settle all obligations to Bank Indonesia, among others are Sistem BI-RTGS usage cost, Intraday Liquidity Facility (ILF) use cost, and other costs; and
    - c) Participant shall transfer any balance in their Current Account to the account designated by the Participant to make the balance zero.
  - 5) Particularly for participation status change into closed due to merger, consolidation, or spin off,

fulfillment...

fulfillment of rights and obligations set forth in point 4).a) and 4).b) is assigned to the Participant resulting from the merger, consolidation, or spin off based on a statement letter of taking over of rights and obligations of the Participant resulting from the merger, consolidation, or spin off.

- 6) The Operator may transfer any balance in a Current Account in the name of Participant to an account designated by the Operator if the Participant does not make the balance transfer set forth in point 4).c).
- b. The procedures for participation status change are governed as follows:
  - 1) Participation status change due to administrative sanction imposition by the Operator
    - a) Participation status change due to administrative sanction may be imposed by the Operator based on the monitoring result of Participant compliance to the provisions determined by the Operator.
    - b) The Operator may recover the participation status set forth in letter a) upon evaluation of the relevant Party's compliance.
    - c) Participation status change may be made:



- (1) on Sistem BI-RTGS operational hours and notified on the same date as the status change; or
  - (2) based on the effective date of status change determined by the Operator and notified at least 1 (one) business day in prior.
- d) The Operator will inform the status change to:
  - (1) the relevant Participant by letter, which may be preceded with facsimile transmission;
  - (2) all Participants through an administrative message or other means determined by the Operator; and/or
  - (3) the competent institution in making supervision of the Participant's activities by letter, which may be preceded with facsimile transmission.
- 2) Participation status change at the written request of the party competent in supervision of Participant's activities
  - a) The party competent in supervision of Participant's activities may submit a written request to change participation status in Sistem BI-RTGS to Bank Indonesia Governor,

the...

- the copy of which is delivered to the Operator to the address set forth in point II.A.2.a.
- b) The request set forth in letter a) contains, among others, the following:
- (1) Participant's name and the requested participation status change;
  - (2) reasons for participation status change; and
  - (3) effective date of participation status change.
- c) If the requested participation status change is into suspended status, the application set forth in letter a) will also contain suspension limits, including suspension of the entire or partial functions in conducting transaction activities through Sistem BI-RTGS.
- d) The application set forth in letter a) is accompanied with supporting documents as the basis for determining Participation status change.
- e) If the request set forth in letter a) is approved, the Operator will notify participation status change to:
- (1) the competent party requesting for the participation status change in Sistem BI-

RTGS by letter, which may be preceded with facsimile transmission;

(2) the relevant Participant by letter, which may be preceded with facsimile transmission; and

(3) all Participants through administrative message or other means.

3) Participation status change at the request of Participant due to self-liquidation, resignation as a participant or any other reason

a) Participant lodges an application for participation status change from active into closed and Current Account closure to the Operator completed with the following supporting documents as the basis for the participation status change:

(1) copy of business license revocation decision in the event the Participant enters into a self-liquidation; or

(2) any other relevant document for participation status change due to resignation or for any other reason approved by the Operator or the party supervising the Participant's activities.

b) The...

- b) The application set forth in letter a) is signed by a Management with a signature specimen in Bank Indonesia and submitted to the Operator under the following provisions:
  - (1) the letter is submitted to the Operator to the address set forth in point II.A.2.a; and
  - (2) for Participant domiciled within the operational area of KPwDN, the request letter is submitted to the Operator and the copy thereof is delivered to the relevant KPwDN.
- c) Participant shall fulfill the provisions to settle their obligation and make their account balance zero as set forth in point a.4).
- d) Based on the request set forth in letter a) which has been approved by the Operator, the Operator will notify the status change participation closure in Sistem BI-RTGS to:
  - (1) such Participant by letter, which may be preceded by facsimile transmission on the participation status change and other matters conducted pertaining to the participation status change and account closing;

(2) all...

- (2) all Participants through administrative message or other means determined by the Operator; and
  - (3) the party competent in supervision of Participant's activities by letter, which may be preceded by facsimile transmission.
- e) Participant must return the Digital Certificate Hard Token to the Operator after their participation is closed.
- 4) Participation Status Change at the Participant's Request Due to Merger, Consolidation, or Spin Off
  - a) Participation Status Change Due to Merger

The procedures for participation status change due to merger are as follows:

    - (1) Merging Participant will apply an application letter of participation closure and Current Account closing, which must at least contain the following:
      - (a) merger approval from the competent institution;
      - (b) operational merger implementation time in Sistem BI-RTGS;
      - (c) Current Account balance overbooking implementation time of the merging Participant at least 1 (one) business

day...

day prior to the operational merger implementation in Sistem BI-RTGS;

- (d) request for closing of Sistem BI-RTGS participation and Current Account;
- (e) transfer of rights and obligations related to participation in Sistem BI-RTGS of the merging Participant to the Participant receiving such merger, as from the legal merger date; and
- (f) revocation of signature specimen of the Representative Official of the merging Participant, as from the legal merger date.

Example format of request letter for participation and Current Account closing to the Operator is as set forth in example II.14 in Appendix II.

- (2) The letter set forth in point (1) is accompanied with the following document requirements:

- (a) copy of decision letter from the competent institution approving the merger; and

(b) copy...

(b) copy of the latest Articles of Association of the merging Participant,

which have been legalized by the competent official or authenticated by the Management.

(3) Participant receiving the merger will submit a merger request letter, which must at least contain the following:

(a) merger approval of the competent institution;

(b) information on Participant receiving the merger and the merging Participant;

(c) implementation time:

i. operational transition in the implementation of Sistem BI-RTGS of the merging Participant to the Participant receiving the merger;

ii. Current Account balance overbooking of the merging Participant to the Current Account of the Participant receiving the merger;

iii. Current...

- iii. Current Account closing of the merging Participant; and
  - iv. cessation of participation in Sistem BI-RTGS from the merging Participant;
- (d) takeover of the rights and obligations of the merging Participant by the Participant receiving the merger as from the legal merger date; and
- (e) information on merger announcement on national newspaper,
- by using the format set forth in example II.15 in Appendix II.
- (4) The notice letter set forth in number (3) is accompanied by the following documents:
- (a) statement which at least contains the following:
    - i. takeover of the rights and obligations of the merging Participant as from the legal merger date;
    - ii. enforcement of signature specimen for the Participant receiving the merger and confirmation of the signature specimen...



specimen of the merging Participant; and

- iii. takeover of operational authority and responsibilities of the merging Participant as from the legal merger date until the operational merger date,

by using the format set forth in example II.16 in Appendix II.

- (b) copy of the following documents legalized by the competent official or authenticated by the Management:

- i. deed of merger;
- ii. deed of amendment to Articles of Association of the Participant receiving the merger;
- iii. merger permit from the institution competent granting merger approval; and
- iv. approval for amendment to Articles of Association from the Ministry of Law and Human Rights or registration of Deed of Merger and Deed Amendment to

Articles of Association in the List  
of Companies.

- (5) The letter set forth in number (1), (3), and (4).(a) is signed by the Management having signature specimen in Bank Indonesia and submitted to the Operator under the following conditions:
  - (a) the letter is submitted to the Operator to the address set forth in point II.A.2.a; and
  - (b) for Participant domiciled within the operational area of KPwDN, the application letter set forth in number (1) and (3) is submitted and the copy thereof is delivered to the relevant KPwDN.
- (6) The Operator will notify to the Participant receiving the merger by letter on the approved operational merger time in Sistem BI-RTGS and matters, which must be conducted by the relevant Participant upon complete receipt of the documents set forth in number (1), (2), (3), and (4).
- (7) The Operator will notify to all Participants by administrative message or other means

on...

on the approved operational merger implementation in Sistem BI-RTGS and closing of participation in Sistem BI-RTGS of the merging Participant.

(8) Merging Participant will overbook its Current Account balance through their RPP to the Current Account of the Participant receiving the merger according to the operational merger implementation in Sistem BI-RTGS approved by the Operator.

(9) The status of Sistem BI-RTGS participation of merging Participant will effectively change into closed on the operational merger implementation date of Sistem BI-RTGS after the Participant's Current Account balance becomes zero.

(10) Merging Participant shall return the Digital Certificate Hard Token to the Operator after the Participant's participation is closed.

(11) The Operator will inform the closing of Sistem BI-RTGS participation of a merging Participant to all Participants by administrative message or other means.

b) Participation Status Change due to Consolidation

The procedures for participation status change due to consolidation are as follows:

(1) Consolidated Participant candidate shall lodge the following request:

(a) Current Account opening by following Bank Indonesia regulation on current account in Bank Indonesia; and

(b) become a Sistem BI-RTGS Participant by following the participation general principles set forth in letter A, requirements for becoming participant set forth in letter B, and procedures for becoming participant set forth in letter C.

(2) Consolidated Participant candidate will submit a consolidation notice, which at least contains the following:

(a) consolidation approval of the competent institution;

(b) information on new consolidated Participant and consolidating Participants;

(c) implementation time:

i. operational...

- i. operational transition in Sistem BI-RTGS implementation of consolidating Participants to newconsolidated Participant;
  - ii. Current Account balance overbooking of consolidating Participants at least 1 (one) business day prior to the operational consolidation implementation in Sistem BI-RTGS;
  - iii. Current Account closing of consolidating Participants; and
  - iv. cessation of participation in Sistem BI-RTGS of consolidating Participants;
- (d) takeover of the rights and obligations of consolidating Participants by consolidated Participant as from the legal consolidation date; and
- (e) information on consolidation announcement on a national newspaper,
- by using the format set forth in example II.15 in Appendix II.

(3) The notice set forth in number (2) is completed with the following required documents:

(a) a statement containing at least the following:

- i. takeover of the rights and obligations of consolidating Participants as from the legal consolidation date;
- ii. enforcement of signature specimen of new consolidated Participant and confirmation of the signature specimen status of consolidating Participants; and
- iii. takeover of operational authority and responsibilities of consolidating Participants as from the legal consolidation date until the operational consolidation implementation date,

by using the format set forth in example II.16 in Appendix II.

(b) copy...

- (b) copy of the following documents certified by the competent official or authenticated by the Management:
  - i. deed of consolidation;
  - ii. deed of Articles of Association of new consolidated Participant;
  - iii. consolidation permit from the institution competent in granting consolidation approvals; and
  - iv. company legal approval of the Ministry of Law and Human Rights for the deed of establishment of new consolidated Participant.
- (4) Consolidating Participants must lodge a request letter for closing of participation and Current Account, which at least contains the following:
  - (a) consolidation approval of the competent institution;
  - (b) operational consolidation implementation time in Sistem BI-RTGS;
  - (c) implementation time of the Current Account balance overbooking of

consolidating...

consolidating Participant 1 (one) business day prior to operational consolidation implementation time in Sistem BI-RTGS;

- (d) request for closing of Sistem BI-RTGS participation and Current Account;
- (e) assignment and delegation of Sistem BI-RTGS participation of consolidating Participants to new consolidated Participant as from the legal consolidated date; and
- (f) revocation of signature specimen of a Representative Official of consolidating Participants as from the legal consolidation date.

Example format of the request letter for closing of participation and Current Account to the Operator is as set forth in example II.14 in Appendix II.

- (5) The letter set forth in number (4) is completed with the following required documents:

- (a) copy of decision of the institution competent in consolidation approval; and

(b) copy...



(b) copy of the latest Articles of Association of consolidating Participants,

which have been certified by the competent official or authenticated by the Management.

(6) The letter set forth in number (2), (3).(a), and (4) is signed by the Management and submitted to the Operator under the following conditions:

(a) the letter is submitted to the Operator to the address set forth in point II.A.2.a; and

(b) for Participant domiciled within the operational area of KPwDN, the request letter set forth in number (2) and (4) is submitted and the copy thereof is delivered to the relevant KPwDN.

(7) The Operator will notify to consolidating Participants by letter on the approved operational consolidation implementation time in Sistem BI-RTGS and matters to be conducted by the relevant Participants,

after...

after complete receipt of the documents set forth in number (3), (4), and (5).

- (8) The Operator will notify to all Participants by administrative message or other means on the approved operational consolidation implementation of Sistem BI-RTGS and participation closing of Sistem BI-RTGS of consolidating Participants.
- (9) Consolidating Participants will overbook their Current Account balance through their RPP to the Current Account of new consolidated Participant at least 1 (one) business day prior to the operational consolidation implementation of Sistem BI-RTGS approved by the Operator.
- (10) The status of Sistem BI-RTGS participation of consolidating Participants will effectively change into closed on the operational consolidation implementation date of Sistem BI-RTGS after the Participants' Current Account balance becomes zero.
- (11) Consolidating Participants shall return the Digital Certificate Hard Token to the

Operator...

Operator after the Participants' participation are closed.

- (12) The Operator will inform the closing of Sistem BI-RTGS participation of consolidating Participants to all Participants by administrative message or other means.

c) Participation Status Change due to Spin Off

The procedures for participation change due to spin off are as follows:

- (1) Participation change due to spin off is made if any UUS Participant executes spin off from Participant which is a conventional bank as its parent by establishing a new Sharia Commercial Bank (BUS) or assigning and delegating the rights and obligations of the UUS to an existing BUS.
- (2) The procedures for participation change due to spin off by establishing a new BUS follows the participation status change procedure due to merger set forth in letter b).
- (3) The procedures for participation change due to spin off by assigning and delegating

the...

the rights and obligations of UUS to an existing BUS by the merger procedures set forth in letter a).

F. Participation Data Change

Scope of participation data change includes:

1. Infrastructure Use Change

a. Infrastructure use change includes:

- 1) infrastructure use change from self-managed into infrastructure use managed by another party;
- 2) infrastructure use from managed by another party into self-managed infrastructure use; or
- 3) infrastructure use change managed by a different another party.

b. The procedures for participation data change related to change in infrastructure usage are as follows:

- 1) Participant submits request for change in infrastructure usage to the Operator by attaching the following documents:
  - a) participation data set forth in Appendix III;
  - b) statement letter from the Management declaring infrastructure readiness and explaining infrastructure specification information as specified by the Operator as set forth in point C.4.c; and

c) in...

- c) in the event the Participant uses infrastructure managed by another party, then in addition to attaching documents set forth in letter a) and b), Participant shall also complete documents set forth in point C.4.d.
- 2) The application letter set forth in number 1) is signed by the Representative Official with signature specimen at the Operator and submitted to the Operator under the following provisions:
  - a) the letter is submitted to the address set forth in point II.A.2.a; and
  - b) for Participant domiciled within the operational area of KPwDN, the application is submitted and the copy is delivered to the relevant KPwDN.
- 3) The Operator may check the location of infrastructure used by the Participant.
- 4) The Operator submits a written response by letter, which may be preceded by facsimile transmission to the relevant Participant on:
  - a) rejection of Participant's change in infrastructure usage and the rejection reasons; or

b) approval...

- b) approval for Participant's change in infrastructure usage and the effective date of Participant's change in infrastructure usage.

## 2. Participant Code Change

Participant code change may occur because, among others, Participant who is not a SWIFT member changes into a SWIFT member or because of Participant's BIC SWIFT change.

The procedures for participant code change are as follows:

- a. Participant lodges a request letter to the Operator for participant code change by attaching the following documents:
  - 1) participation data set forth in Appendix III; and
  - 2) supporting documents indicating as a SWIFT member or change of Participant's BIC SWIFT.
- b. The request letter set forth in letter a is signed by a Representative Official with a signature specimen at the Operator and submitted to the Operator under the following provisions:
  - 1) the letter is submitted to the address set forth in point II.A.2.a; and
  - 2) for Participant domiciled within the operational area of KPwDN, the application is submitted and the copy is delivered to the relevant KPwDN.
- c. The Operator will submit a response by letter, which may be preceded by facsimile transmission to the relevant

Participant, no later than 14 (fourteen) business days as from received by the Operator of the request letter set forth in letter a containing:

- 1) notice of documents submitted incomplete by the Participant; or
  - 2) notice of participant code change plan containing among others:
    - a) name and number of Current Account;
    - b) new participant code; and
    - c) request that Participant to fulfill documents for operational purposes for participant code change.
- d. The required document fulfillment set forth in point c.2).c) is in the form of a request letter for Connected User and Digital Certificate for a new participant code completed with:
- 1) name and new participant code; and
  - 2) Certificate Signing Request (CSR) generated and stored in a read-only optical media,
- in the event the Participant uses Straight-Through Processing Gateway (RSTPG) application.
- e. Participant submits a new CSR file on CD from a server to be provided with Digital Certificate Soft Token by letter under the provisions set forth in letter b.

f. The...

- f. The Operator gives a new Connected User and Digital Certificate to the Participant by letter or other means specified by the Operator.
- g. The Operator informs the effective date of participant code change to:
  - 1) the relevant participant by letter; and
  - 2) all Participants by administrative message or other means.
- h. Participant must return Digital Certificate Hard Token no later than 7 (seven) business days as from the Participant receives the letter set forth in point g.1).

3. Participant Name Change

The procedures for participation data change related to Participant's name change are as follows:

- a. Participant submits a notice letter to the Operator by attaching the following documents:
  - 1) participation data set forth in Appendix III by using the name specified in an amendment to the Articles of Association approved by the competent institution; and
  - 2) copy of the following documents legalized by the competent official or authenticated by the Management with a signature specimen at the Operator:



- a) deed of amendment to Articles of Association for Indonesian Legal Entity;
- b) approval letter of amendment to Articles of Association from the competent institution; and
- c) decision letter of the competent institution on the name change if the Participant is a Bank.

Primarily, Banks headquartered overseas may submit only the decision set forth in letter c).

- b. The notice letter set forth in letter a is signed by the Representative Official with a signature specimen at the Operator and submitted to the Operator under the following provisions:
  - 1) the letter is submitted to the address set forth in point II.A.2.a; and
  - 2) for Participant domiciled within the operational area of KPwDN, the application is submitted and the copy is delivered to the relevant KPwDN.
- c. The Operator will submit a written response which may be preceded with facsimile transmission to the relevant Participant within 14 (fourteen) business days at the maximum upon complete receipt of the notice set forth in letter a by the Operator on the effective date of Participant's name data change or written response to the completeness of the Participant's documents to the Participant.

d. The...

- d. The Operator will inform the participation data change related to Participant's name change to all Participants through administrative message or other means.

4. Participant Data Change Due to Business Activity Change

Participation data change related to Participant's business activity change from a conventional commercial bank into sharia commercial bank may result in Participant's data change; among others are Participant's name, business activity, account number, and/or participant code. The procedures for Participant's data change due to their business activity change are as follows:

- a. Participant submits a notice letter in the format set forth in example II.17 in Appendix II.
- b. The notice set forth in letter a is completed with copy of the following documents legalized by the competent official or authenticated by the Management with a signature specimen at the Operator:
  - 1) deed of amendment to Articles of Association;
  - 2) approval letter of the amendment to Articles of Association from the competent authority; and
  - 3) decision letter of the competent institution on permit for business activity change from a conventional commercial bank into sharia commercial bank.

c. The...

- c. The notice letter set forth in letter a is signed by the Representative Official with a signature specimen at the Operator and submitted to the Operator under the following provisions:
    - 1) the letter is submitted to the address set forth in point II.A.2.a; and
    - 2) for Participant domiciled within the operational area of KPwDN, the application is submitted and the copy is delivered to the relevant KPwDN.
  - d. The Operator will submit a response by letter which may be preceded with facsimile transmission to the relevant Participant within 14 (fourteen) business days at the maximum upon notice letter and supporting documents set forth in letter a completely received by the Operator on the effective date of Participant's business activity change or written response to the completeness of the Participant's documents.
  - e. The Operator will inform the participation data change related to Participant's business activity change to all Participants through administrative message or other means.
5. Current Account Number Change
- a. Current Account number may change if Bank Indonesia enforces a relevant policy or Participant's data change may change their account number with the Operator.

b. In the event of such change set forth in letter a, the Operator will inform the Current Account number change and effective date of such Current Account number change to:

- 1) the relevant Participant by letter; and
- 2) all Participants by administrative message or other means.

6. Participant's Office Address Change

The procedures for participation data change related to change of Participant's headquarter address and foreign bank branch office are as follows:

a. Participant submits a notice letter to the Operator by attaching the following documents:

- 1) copy of approval letter or receipt of office address change notice from the competent institution legalized by the competent official or authenticated by the Management with a signature specimen at the Operator; and
- 2) the participation data set forth in Appendix III by using the office address specified in the document as set forth in number 1).

b. The request letter set forth in letter a is signed by the Representative Official with a signature specimen at the Operator and submitted to the Operator under the following provisions:

1) the...

- 1) the letter is submitted to the address set forth in point II.A.2.a; and
  - 2) for Participant domiciled within the operational area of KPwDN, the application is submitted and the copy thereof is delivered to the relevant KPwDN.
- c. The Operator submits response by letter, which may be preceded with facsimile transmission to the relevant Participant that the Participant's address change has been recorded in the Operator's administration or written response to the document completeness within 14 (fourteen) business days upon notice letter and supporting documents set forth in letter a received completely by the Operator.
7. Change of Participant's Main RPP and Main JKD location
- Procedure for change of Participant's Main RPP and Main JKD location is as follows:
- a. Participant submits a notice letter of the Main RPP location change and/or Main JKD relocation by attaching participation data form in the format set forth in Appendix III.
  - b. The notice letter set forth in letter a is signed by the Representative Official with a signature specimen at the Operator and submitted to the Operator under the following provisions:

- 1) the letter is submitted to the Operator to the address set forth in point II.A.2.a; and
  - 2) for Participant domiciled within the operational area of KPwDN, the request letter is submitted and the copy thereof is delivered to the relevant KPwDN.
- c. The Operator submits a notice letter containing among others the following:
- 1) the change of Participant's Main RPP location has been recorded in the Operator's administration;
  - 2) operation of Main JKD relocation; and
  - 3) measures to be conducted by the Participant related to the change of Main RPP and/or Main JKD location.

8. Management Data Change

In the event of change of Management composition, authority, and/or position, the following provisions and procedures will apply:

- a. Participant submits a notice letter of change of Management composition, authority, and/or position in the format set forth in example II.18 in Appendix II.
- b. The notice letter set forth in letter a is accompanied by the following supporting documents legalized by the competent authority or authenticated by the Management with a signature specimen in Bank Indonesia:

- 1) copy of amendment to Articles of Association on Management appointment for Participant in form of Indonesian Legal Entity;
- 2) copy of a letter from the competent institution on the Participant's Management structure recorded with the competent institution's administration or fit and proper test approval of the competent supervisory institution, primarily for Management of Participant in form of Bank;
- 3) copy of valid Management's identity cards as follows:
  - a) for Indonesian citizens: Resident's Identity Card (KTP) or Driving License (SIM) or passport; or
  - b) for foreign citizens: passport, Temporary Residence Permit (KITAS), and work permit from the institution competent in Foreign Citizens;
  - c) for new Management of Participant in form of Bank, in addition to fulfilling the documents set forth in number 1) and 2), must submit supporting document, namely copy of power of attorney from the Bank's headquarter overseas to the branch office manager, including the translation thereof in Indonesian made by a

- sworn translator, for Bank's branch office which headquarter is located overseas; and
- d) copy of latest organization structure for bank's branch office which headquarter is located overseas; and
- 4) if Management authority and/or position changes, a notice letter is accompanied by a statement letter of prevailing Management signature specimen in the format set forth in example II.19 in Appendix II.
- c. The notice letter set forth in letter a is signed by the Representative Official with signature specimen in Bank Indonesia and submitted to the Operator under the following provisions:
- 1) the letter is submitted to the address set forth in point II.A.2.a; and
- 2) for Participant domiciled within the operational area of KPwDN, the request letter is submitted to the Operator and the copy thereof is delivered to the relevant KPwDN.
- d. In the event the Management data change includes new Management change, the new Management must make signature specimen before the Operator's official or KPwDN's official after the notice letter set forth in letter a and the documents set forth in letter b are completely received by the Operator.
- e. The...



- e. The signature specimen set forth in letter d will be valid as from the notice letter from the Operator on the effective date of signature specimen or 5 (five) business days at the maximum as from the signature specimen preparation.
- f. The signature specimen of Management whose authority has been revoked related to the participation in Sistem BI-RTGS is declared invalid as from the date of notice letter of Management authority change completely received by the Operator.
- g. in the event the Participant fails to notify the Management data change to the Operator , the data administered with the Operator will be deemed to remain valid and all legal actions taken by the Management will become the full responsibility of the Participant.

9. Power Change

Power change is made for addition, replacement, and/or revocation of power from the Representative Official and/or officer.

Provisions and procedures for power change are as follows:

- a. In the event of addition to and/or replacement of power of the Representative Official and/or officer, Participant will take the following measures:
  - 1) submit notice letter of addition to and/or replacement of power from the Representative

Official and/or officer and signature specimen preparation request in the format set forth in example II.20 in Appendix II;

- 2) provisions, requirements, and procedures for power granting refer to point III.C.10.b, III.C.10.c, and III.C.10.d; and
- 3) the power addition will be valid within 5 (five) business days at the maximum as from the documents set forth in number 1) and signature specimen are completely received by Bank Indonesia

.

b. Revocation of Entire or Partial Power to Proxy Official and/or Proxy Officer

Provisions and procedures for revocation of entire or partial power to Proxy Official and/or proxy officer are as follows:

- 1) Participant submits power revocation statement letter signed by the Management/principal in the format set forth in example II.21 in Appendix II.
- 2) Revocation of entire or partial power will be valid as from the power revocation statement letter is completely received by the Operator.

c. Change of Authority in a Power of Attorney Granted to Proxy Official and/or Officer

Provisions and procedures for change of authority in a power of attorney granted to Proxy Official and/or officer are as follows:

- 1) Participant submits a notice letter attached with a new power of attorney in the format set forth in example II.10, II.11, or II.12 in Appendix II.
- 2) A notice letter of change of power of attorney is submitted to:
  - a) the Operator to the address set forth in point II.A.2.a for a Proxy Official and/or officer within the area of KP BI;
  - b) KPwDN for Proxy Official and/or officer within the area of KPwDN; or
  - c) DPU for power to physically withdraw fund within the area of KPBI.
- d. in the event the Participant fails to notify the change of the authority of Proxy Official and/or officer to the Operator, the data administered with Bank Indonesia will be deemed valid and all legal measures taken by the Proxy Official and/or officer will become the Participant's full responsibility.

#### 10. Signature Specimen Difference

If the signature on identity card is different from that of the Representative Official and/or officer administered with Bank

Indonesia, Participant must submit a signature difference statement letter set forth in example II.22 in Appendix II.

G. User Management

1. RPP User consists of:

(1) Connected User;

(2) Unconnected User including:

1) administrator user, a user authorized to register an operational user and manage the use through RPP; and

2) operational user, a local user authorized to conduct operational activities in Fund Settlement instruction preparation in RPP and other local operational activities, but may not send any instruction to RCN.

2. The Operator will manage Connected User including registration, adjustment, password reset, cessation, reactivation, and security level determination.

3. User management by the Participant is managed by an administrator user as follows:

a. Unconnected User management among others are:

1) registration and adjustment of Unconnected User,

2) determination of security level for Unconnected User,

3) determination of access right for Unconnected User against the menu in RPP;

4) determination...

- 4) determination of role and limit for Unconnected User; and
    - 5) database management and parameter configuration.
  - b. Connected User management among others include:
    - 1) determination of access right for Connected User against the menu in RPP; and
    - 2) determination of role and limit for Connected User.
4. The Operator will give 1 (one) RPP administrator user accompanied by a password to each Participant.
5. The Operator provides the following:
  - a. for 10 (ten) Connected Users at the maximum completed with password and Digital Certificate Hard Token for each Participant using BI-RTGS Payment Gateway (RPG) application; and/or
  - b. for 1 (one) Connected User completed with password and Digital Certificate Soft Token for each Participant using BI-RTGS Straight-Through Processing Gateway (RSTPG) application.
6. Management and use of administrator user and Connected User, which have been delivered by the Operator to the Participant, are made based on the Participant's internal provisions and become the full responsibility of the relevant Participant.

H. Use of Connected User and Digital Certificate

Provisions and procedures for use of Connected User and Digital Certificate by Participants in Sistem BI-RTGS operation are as follows:

1. General Provisions for Use of Connected User and Digital Certificate
  - a. Based on its use, Connected User consists of Connected User for RPG and Connected User for RSTPG.
  - b. Based on the media storage, Digital Certificate is differed into 2 (two) types, namely Digital Certificate Hard Token and Digital Certificate Soft Token.
  - c. The Connected User set forth in letter a and Digital Certificate set forth in letter b are provided to a Representative Official who has signature specimen at the Operator.
  - d. The active period of Digital Certificate Hard Token and Digital Certificate Soft Token is determined 2 (two) years at the maximum as from its effective date.
  - e. Addition of Connected User completed with password and Digital Certificate Hard Token exceeding the number set forth in letter G.5.a may be given with the approval of the Operator.
  - f. Participant may request replacement of Digital Certificate Hard Token and Digital Certificate Soft Token, which is

lost/broken or may not be used for any reasons whatsoever.

- g. Addition of Connected User completed with password and Digital Certificate Hard Token set forth in letter e and/or replacement of Digital Certificate Hard Token, which is lost/broken for any reasons whatsoever as set forth in letter f will be charged.

2. Procedures for Addition of Connected User Completed with Password and Digital Certificate and Replacement and/or Extension of Digital Certificate Active Period.

Procedures for addition of Connected User completed with password and Digital Certificate as well as replacement and/or extension of Digital Certificate active period are as follows:

- a. Participant submits request letter to the Operator for addition of Connected User completed with password and Digital Certificate as well as replacement and/or extension of Digital Certificate active period, which at least contains the following information:

- 1) for addition of Connected User completed with password and Digital Certificate Hard Token:

- a) Participant's name and code;
- b) number of Connected User addition; and

c) reasons...

- c) reasons for requesting the addition of Connected User if the request exceeds the number set forth in point 1.e.
- 2) for replacement of Digital Certificate Hard Token:
  - a) Participant's name and code;
  - b) name of Connected User whose Digital Certificate Hard Token will be replaced;
  - c) serial number of Digital Certificate Hard Token; and
  - d) reasons for requesting the replacement of Digital Certificate Hard Token.
- 3) for extension of Digital Certificate Hard Token active period:
  - a) Participant's name and code;
  - b) name of Connected User whose Digital Certificate Hard Token active period will be extended; and
  - c) serial number of Digital Certificate Hard Token.
- 4) for extension of Digital Certificate Soft Token active period:
  - a) Participant's name and code;
  - b) name of Connected User of Server whose Digital Certificate Soft Token active period will be extended.



Request letter for addition of Connected User completed with password and Digital Certificate, replacement and/or extension of Digital Certificate active period uses the format set forth in example II.23 in Appendix II.

b. The request letter set forth in letter a is signed by a Representative Official and submitted to the Operator under the following provisions:

- 1) The request letter is submitted to the Operator to the address set forth in point II.A.2.a.
- 2) For Participant domiciled within the operational area of KPwDN, the request letter is submitted and the copy thereof is delivered to the relevant KPwDN.
- 3) For Participants lodging a request for active period extension due to the expiration of Digital Certificate active period, the request letter is submitted to the Operator within 20 (twenty) business days, at the earliest, prior to the Digital Certificate active period expiration and 10 (ten) business days, at the latest, prior to the Digital Certificate active period expiration.

c. The request letter set forth in letter a is completed with:

- 1) CSR file on CD from a server which active period of Digital Certificate Soft Token will be extended in the event the Participant lodges to extend the active period of Digital Certificate Soft Token;

2) Digital...

- 2) Digital Certificate Hard Token in the event the Participant lodges to extend the active period of or replace Digital Certificate Hard Token; and/or
  - 3) Digital Certificate Hard Token loss report from the police in the event the Participant lodges to replace the lost Digital Certificate Hard Token.
- d. The Operator will notify the Participant by administrative message or other means for certificate signing no later than 14 (fourteen) business days as from the documents set forth in point a.4) are completely received by the Operator.
- e. Participant will take the Connected User, password, and/or Digital Certificate under the following mechanism:
- 1) For Participant headquartered within the operational area of KPBIKPBI, the Connected User, password, and/or Digital Certificate will be taken at the Operator's office.
  - 2) For Participants headquartered within the operational area of KPwDN, the Connected User, password, and/or Digital Certificate will be taken at the KPwDN.
  - 3) The Connected User, password, and/or Digital Certificate will be taken by the Representative

Official, who has signature specimen in Bank Indonesia.

- f. In the event of extension of Digital Certificate Soft Token active period, Participant must notify to the Operator the effective date of new Digital Certificate Soft Token use by administrative message or letter, which may be preceded by facsimile transmission. If the Participant fails to notify the effective date, any and all risks arising therefrom will become the full responsibility of such Participant.
  - g. in the event the Participant lodges a request for addition of Connected User completed with password and Digital Certificate Hard Token exceeding the number set forth in point 5.a, approval for or rejection of the request will be submitted in writing by the Operator to the Participant no later than 14 (fourteen) business days as from the request letter is completely received by the Operator.
  - h. The Operator charges the cost to Participant's Current Account denominated in Rupiah administered in Bank Indonesia for addition of Connected User completed with password and Digital Certificate Hard Token exceeding the number set forth in point 5.a. and/or Digital Certificate Hard Token replacement.
3. Deletion of RPG and/or RSTPG Connected User

a. Deletion...

- a. Deletion of RPG and/or RSTPG Connected User may be made on the Operator's initiative or at the Participant's request.
- b. Deletion of RPG and/or RSTPG Connected User by the Operator is made, among others, if the participation of Participant in Sistem BI-RTGS is ceased.
- c. Procedures for deletion of RPG and/or RSTPG Connected User at the Participant's request set forth in letter a are as follows:
  - 1) Participant lodges a request for deletion of RPG and/or RSTPG Connected User to the Operator, which may be first sent by facsimile.
  - 2) The request letter for deletion of RPG and/or RSTPG Connected User set forth in number 1) uses the format set forth in example II.24 in Appendix II.
  - 3) The request letter for deletion of RPG Connected User with Digital Certificate Hard Token whose Connected User is requested for deletion.
  - 4) The Operator submits a notice letter to the Participant on deletion of RPG and/or RSTPG Connected User.
4. Mechanism for Resetting Connected User Password for RPG, Unlocking Connected User for RPG, and/or Resetting Digital Certificate Hard Token Password

Participant may lodge a request for resetting Connected User password for RPG, unlocking Connected User for RPG, and/or resetting Digital Certificate Hard Token password under the following procedures:

- a. Request for Resetting Connected User Password for RPG
  - 1) Participant lodges a request for resetting Connected User password for RPG to the Operator by letter signed by a Representative Official, who has a signature specimen at the Operator, with at least the following contents:
    - a) Participant's name and code;
    - b) Connected User's name whose password is requested for reset; and
  - 2) The request letter set forth in number 1) is submitted to the Operator to the address set forth in point II.A.2.a.
  - 3) The request letter set forth in number 1) may be first delivered to the Operator by facsimile to the number set forth in point II.A.3.b.
  - 4) Based on the request set forth in number 1), the Operator will notify the Participant of the Connected User password by letter or other means determined by the Operator.

5) The...

- 5) The letter set forth in number 4) is taken by a Representative Official, who has a signature specimen in Bank Indonesia.
- b. Request for Unlocking Connected User for RPG
- 1) Participant lodges a request for unlocking Connected User for RPG to the Operator by letter signed by a Representative Official, who has signature specimen in Bank Indonesia or by administrative message with at least the following contents:
    - a) Participant's name and code;
    - b) Connected User's name requested to be unlocked; and
    - c) name and phone number of the competent party reachable at the relevant Participant.The letter is delivered to the address set forth in point II.A.2.a.
  - 2) The request letter set forth in number 1) may be delivered first to the Operator by facsimile to the number set forth in point II.A.3.b.
  - 3) Based on the request set forth in number 1), the Operator will notify the relevant Participant of unlock process settlement of Connected User for RPG by letter, administrative message, or other means determined by the Operator.

c. Request...

c. Request for Resetting Digital Certificate Hard Token Password

1) Participant lodges a request for resetting Digital Certificate Hard Token password to the Operator by letter signed by a Representative Official, who has a signature specimen in Bank Indonesia, with at least the following contents:

- (1) Participant's name and code;
- (2) name of Connected User whose Digital Certificate Hard Token password is requested for reset;
- (3) serial number of Digital Certificate Hard Token; and
- (4) name and phone number of the competent party reachable at the relevant Participant.

The letter is delivered to the address set forth in point II.A.2.a.

- 2) The request letter set forth in number 1) may be first delivered to the Operator by facsimile to the number set forth in point II.A.3.
- 3) Based on the request set forth in number 1), the Operator will notify the competent party at the Participant by phone to reset the password for Digital Certificate Hard Token at RPP by following

the...

the stage of resolution process as determined by the Operator.

I. Participant's Obligation

For operation of Fund Settlement through Sistem BI-RTGS, Participant must:

1. Maintain smoothness and security of Sistem BI-RTGS usage.

To maintain smoothness and security of Sistem BI-RTGS usage, Participants take the following measures:

a. Prepare Written Policy and Procedure (KPT) supporting proper internal control system in operational implementation of Sistem BI-RTGS, including procedures for Sistem BI-RTGS usage security in the Participant's internal office under the following preparation provisions:

- 1) KPT is a written rule determined by the competent official in accordance with the internal regulations applicable in the Participant and applicable as the Sistem BI-RTGS operational guideline for Participant.
- 2) KPT must be prepared within 6 (six) months as from the participation effective date in Sistem BI-RTGS.
- 3) KPT must be prepared in Indonesian language. If KPT is prepared in a foreign language, KPT must be translated into Indonesian by a sworn translator.  
  
KPT must be prepared by referring to regulations on Sistem BI-RTGS determined by the Operator and

those...



those determined by a payment system association on Sistem BI-RTGS operation.

- 4) KPT must contain at least the following materials:
  - a) introduction;
  - b) BI-RTGS operational organization;
  - c) provisions and operational procedures for Sistem BI-RTGS;
  - d) operational supervision of Sistem BI-RTGS;
  - e) management of Unforeseeable Conditions and/or Emergency Condition; and
  - f) customer protection.

Minimum scope details of KPT materials are specified in “Guideline for Preparation of Written Policy and Procedure” as set forth in Appendix V.

- 5) In the event of material changes set forth in point 4).b) until 4).e). and/or changes in provisions issued by the Operator and/or payment system association, affecting KPT materials, Participants must update the KPT.
  - 6) The KPT update set forth in number 5) must be conducted within 6 (six) months at the maximum as from the material and provision changes.
- b. Make internal inspection to guarantee the security of Sistem BI-RTGS operation.

Provisions for internal inspection to guarantee the security of Sistem BI-RTGS operation are as follows:

- 1) Internal inspection is an inspection activity of Sistem BI-RTGS to guarantee the security of Sistem BI-RTGS operation.
  - 2) Internal inspection is conducted by the Participant's internal audit working unit.
  - 3) Internal inspection scope at least includes compliance assessment material given by the Operator.
- c. Conduct security audit under the following provisions:
- 1) Security audit aims to ensure security and reliability of Participant's internal information technology, interface between RPP and Participant's internal system as well as the surrounding condition where Participant carry on its operational activities.
  - 2) Security audit is conducted at least once in 3 (three) years as from the effective date of becoming Participant or anytime changes are made in the Participant's internal information technology system related to Sistem BI-RTGS.
  - 3) Security audit may be conducted by Participant's internal auditor or external auditor.

4) Security...

- 4) Security audit includes at least the scope set forth in Appendix VI.
- d. Prepare information technology policy on Sistem BI-RTGS, which is regularly reviewed and updated.
- e. Have guideline for Disaster Recovery Plan (DRP) and Business Continuity Plan (BCP) under the following provisions:
  - 1) DRP and BCP guideline contains procedures to be followed by Participants in the event of Unforeseeable Conditions and/or Emergency Condition to ensure that Participant's Sistem BI-RTGS operation may be conducted and other necessary efforts if the back-up system cannot be used.
  - 2) The DRP guideline set forth in number 1) must at least contain the following:
    - a) working unit as the unit in charge;
    - b) coordination mechanism if there are several units in charge;
    - c) procedures related to back-up infrastructure preparation to guarantee Sistem BI-RTGS operational activities;
    - d) reporting and monitoring mechanism; and
    - e) operational officer (including phone number data easy to reach at any time).

3) The...

- 3) The BCP guideline set forth in number 1) must at least contain the following:
  - a) working unit as the unit in charge;
  - b) coordination mechanism if there are several units in charge;
  - c) business measures taken to guarantee Sistem BI-RTGS operational activities;
  - d) BCP procedure test mechanism;
  - e) reporting and monitoring mechanism; and
  - f) operational officer (including phone number data easy to reach at any time).
- f. Use RPP application according to Sistem BI-RTGS Operation Guideline Book.
- g. Do data maintenance under the following provisions:
  - 1) data stored in electronic media and/or in a computer processed form in Sistem BI-RTGS must be sufficiently secured and the confidentiality thereof must be maintained, for example, protected from unauthorized officer access;
  - 2) the data set forth in number 1) among others include transaction data, application provided by the Operator, and/or provisions and procedures determined by the Operator;
  - 3) make data back-up set forth in number 1) in electronic media;

- 4) ensure the data set forth in number 1) and the back-up set forth in number 3) is not broken among others by conducting regular maintenance or checking; and
  - 5) store all data set forth in number 1) and the back-up set forth in number 3), according to the internally applicable filing provisions for the Participant and retention period under the laws and regulations on corporate documents.
- h. Guarantee main RPP and back-up RPP properly function to conduct various Sistem BI-RTGS activities during Sistem BI-RTGS operational hours.

To guarantee proper function of main RPP and back-up RPP, the following provisions apply:

- 1) Ensure officers handling Sistem BI-RTGS understand Sistem BI-RTGS operational system and procedures determined by the Operator or Participant, among others through periodic training.
- 2) Regulate and determine users and their authority in Sistem BI-RTGS operation by considering, among others as follows:
  - a) management of user authority by considering the span of control to minimize human errors and fraud;

b) transactions...

- b) transactions are hierarchically made according to officer authority level;
  - c) management of substitute officers for users according to their respective roles;
  - d) determine and administer users holding Digital Certificate Hard Token and Digital Certificate Soft Token, including the token serial number;
  - e) ensure the security of Digital Certificate Hard Token used by users determined by the Participant; and
  - f) store security documents related to administrator user, Connected User, Digital Certificate Hard Token, and Digital Certificate Soft Token.
- 3) Provide and manage back-up system for Participant's Sistem BI-RTGS of under the following arrangement:
- a) Participant must provide back-up server and JKD of their back-up site to Bank Indonesia according to the standard determined by the Operator.
  - b) The cost of infrastructure provision and use set forth in letter a) will be borne by Participants.

- c) Selection of RPP type and location and back-up JKD set forth in letter a) is made by Participant by considering among others:
  - (1) Participant's transaction volume and Sistem BI-RTGS urgency level for Participant; and
  - (2) internal control to mitigate operational risks of Participant.
- 4) Guarantee proper function of back-up system among others by:
  - a) Participant must participate in Sistem BI-RTGS trial conducted by the Operator by using their back-up system at least annually.
  - b) Conduct periodic connection trial of back-up system under the following provisions:
    - (1) Back-up system connection trial includes trial of back-up RPP, back-up JKD, and/or data.
    - (2) The back-up system connection trial set forth in number (1) may be conducted by using:
      - (a) environment testing of the Operator during Sistem BI-RTGS operational hours; or

(b) production...

- (b) production environment of the Operator by following the Operator's schedule, namely on Fridays on the first and third weeks after the end of day process of the Operator's Sistem BI-RTGS ends and the operation is within 1 (one) hour at the maximum.
- (3) Back-up system connection trial is conducted by the following mechanism:
  - (a) Participant lodges RPP connection trial request by administrative message to the Operator at least 1 (one) business day prior to the operation of back-up system connection trial.
  - (b) The Operator will notify back-up system connection trial approval to Participants by administrative message.
  - (c) Participant submit the report of back-up system connection trial result to the Operator at least 1 (one) business day after the trial completes by administrative message, facsimile, or

other...



other means determined by the Operator.

c) Operate back-up system for operational activities in normal condition under the following provisions:

(1) Operational activities in normal condition are conducted periodically, at least annually.

(2) Back-up system operation for operational activities in normal condition may include operation of back-up RPP and/or back-up JKD.

(3) Back-up system use procedures for operational activities in normal condition are as follows:

(a) Participant lodges a request by administrative message to the Operator at least 1 (one) business day before using back-up system for operational activities in normal condition;

(b) The Operator will notify the Participant of approval for back-up RPP and/or back-up JKD use by administrative message.

5) Guarantee...

- 5) Guarantee security and reliability of JKD used to connect the main RPP and/or back-up RPP with:
  - a) Participant's computer used for Sistem BI-RTGS operation; and
  - b) Participant's internal computerization system, if the Participant connects the main RPP and/or back-up RPP with Participant's internal computerization system,therefore, it will be free from all possible Sistem BI-RTGS damaging sources, including but not limited to possible fraud, hacking, and system damage by flooding the system with payment data and messages.
- 6) Report internal application development related to Sistem BI-RTGS to the Operator.
- 7) Take necessary preventive measures to allow proper function of hardware and software used in Sistem BI-RTGS and/or its relation to Sistem BI-RTGS free from any kinds of virus.
- 8) Guarantee the integrity of Sistem BI-RTGS database in the main RPP and back-up RPP, including back-up data stored on CD, tape, cartridge, flash disk, and any other media.
- 9) Conduct installation anytime changes are made to the application of the main RPP and/or back-up

RPP according to Sistem BI-RTGS Operation Guideline Book.

10) Appropriately store RPP application, including any changes in the RPP application provided by the Operator, in a place safe and free from any sources potentially damaging RPP application.

11) Extend the active period of Digital Certificate according to the time determined by the Operator.

2. Responsible for the correctness of Fund Settlement instruction and all information sent by Participant to the Operator through Sistem BI-RTGS.

To ensure the correctness of Fund Settlement instruction and all information sent by Participant to the Operator, Participant must take the following steps:

- a. make Fund Settlement instruction according to Sistem BI-RTGS Operation Guideline Book and message completion standardization for Fund Transfers through Sistem BI-RTGS as set forth in Appendix VII;
- b. send Fund Settlement instruction according to the schedule determined by the Operator; and
- c. use transaction codes as determined by the Operator.

3. Comply with all provisions determined by the Operator, provisions of payment system association, and other provisions for operation of real-time Fund Settlement through Sistem BI-RTGS.

To comply with the provisions determined by the Operator, the provisions of payment system association and other provisions related to the operation of real-time Fund Settlement through Sistem BI-RTGS, the Management and/or officials competent in conducting operational tasks and monitoring compliance with Participant's provisions and procedures must take necessary measures to ensure their compliance with Bank Indonesia regulations on operation of Fund Settlement through Sistem BI-RTGS, ILF, and Fund Transfers through Sistem BI-RTGS to protect participant's customers.

4. Perform Sistem BI-RTGS usage agreement between the Operator and Participant.
5. Inform Fund Transfer fees and customer service hours for Fund Transfers through BI-RTGS in a transparent manner.

For transparency of transaction fees through Sistem BI-RTGS to customers, Participants will announce in writing the transaction fees through Sistem BI-RTGS in places easily accessible by customers.

6. Give data and information on Sistem BI-RTGS operation to Bank Indonesia.

To give data and information on Sistem BI-RTGS operation to Bank Indonesia, Participant will give data and information requested by the Operator, including but not limited to,

original and/or copies of documents in the form of notes, and/or electronic data related to Fund Transfer operation.

#### IV. OPERATIONAL TIME OF FUND SETTLEMENT IMPLEMENTATION

##### A. General Principles

1. The Operator determines the operational time of Fund Settlement operation consisting of:
  - a. operational day;
  - b. operational hour; and
  - c. activity time period.
2. The operational day set forth in point 1.a means the day determined by the Operator as the day of Fund Settlement operation.
3. The operational hour set forth in point 1.b means the hour determined by the Operator as the time of Sistem BI-RTGS operation on operational days.
4. Activity time period set forth in point 1.c means the time period determined by the Operator based on transaction codes to conduct Fund Settlement activities for Fund Transfer conducted through Sistem BI-RTGS.
5. The operational time set forth in number 1 may change at any time by the Operator.
6. Participant must conduct operational activities of Fund Settlement according to the determined operational time set forth in number 1.

7. In certain conditions, Unforeseeable Conditions, and/or Emergency Condition, any Participant may opt not to participate in Sistem BI-RTGS operational activities on the operational days set forth in number 2 with the approval of the Operator.

B. Determination of Fund Settlement Operational Time

1. Operational day of Fund Settlement held in every calendar day determined as operational day by the Operator.
2. The operational hour of Fund Settlement operation is from 06.30 West Indonesia Time until 19.00 West Indonesia Time. Details of Fund Settlement activities during operational hours set forth in Appendix VIII.
3. Activity time period means the time period determined by the Operator based on transaction codes to conduct Fund Settlement for transactions through Sistem BI-RTGS set forth in Appendix VIII.

C. Operational Time Change

1. The Operator may change the operational time of Fund Settlement Operation based on the following considerations:
  - a. existence of Unforeseeable Conditions and/or Emergency Condition at the Operator;
  - b. delay in Fund Settlement based on the calculation in the operation of fund transfer and scheduled clearing;
  - c. extension of BI-SSSS operational hour;

d. Bank...

- d. Bank Indonesia's interest to maintain smooth payment system; and/or
  - e. request for time period extension from Participant.
- 2. Primarily for cash withdrawals, tax delegation, and PvP transaction, in the event of operational hour extension, the change of time period of the three transaction types may be excluded..
- 3. In the event of Fund Settlement operational time change as set forth in number 1, the Operator will notify such change to all Participants by administrative message and/or other means.
- 4. In the event of operational time change in the current year, for any transaction sent by Participant to the Operator on the previous business day by using the exchange date on operational day determined as holiday, the following provisions will apply:
  - a. All transactions sent by using the exchange date determined as Sistem BI-RTGS operational holiday will be void.
  - b. in the event the Participant will complete the transaction set forth in letter a through Sistem BI-RTGS on the following business day, the Participant must send new Fund Settlement instruction.
- 5. Time Period Change at the Participant's Request

a. Any...

- a. Any Participant may lodge a request for time period extension if they experience Unforeseeable Conditions and/or Emergency Condition resulting in the necessity for extension of Fund Settlement time for transactions conducted through Sistem BI-RTGS.
- b. The request for time period extension set forth in letter a is submitted by the Participant to the Operator under the following provisions:
  - 1) The Participant lodges a request for time period extension to the Operator by letter, which may be preceded with transmission of administrative message, facsimile, and/or other means.
  - 2) The letter set forth in number 1) is signed by a Representative Official and delivered to the address set forth in point II.A.2.a.
  - 3) Request for time period extension must be lodged no later than 30 (thirty) minutes prior to the end of the time period of Fund Settlement for the transaction service type requested for extension.
- c. The Operator will notify the approval for or rejection of time period extension approval to Participants by administrative message, letter, or other means.
- d. If the request for activity time period extension is approved by the Operator, the following will apply:



- 1) Activity time period is extended at the Participant's request for the activity time period for open transaction services upon the extension request received by the Operator.
- 2) The extension of Fund Settlement activity time period set forth in number 1) is made proportionally in the event of request for extension of Fund Settlement activities for transaction services after 17.00 West Indonesia Time.
- 3) Activity time period extension which may be provided is 30 (thirty) minutes or 60 (sixty) minutes at the maximum, except for certain conditions approved by the Operator.
- 4) Time period extension may not be requested by any Participant for cash withdrawals, tax delegations, and/or PvP transactions.
- 5) in the event the Participant lodges Fund Settlement time period extension for 60 (sixty) minutes, and has been approved by the Operator, another Participant may not lodge the time period extension.
- 6) All approved requests for time period extension by the Operator through administrative message to Participant are final and may not be cancelled by such Participant.

- 7) Time period extension at Participant's request will be charged at amount as set forth in Appendix X.
6. The procedures for Participant's request not to conduct Fund Settlement for Fund Transfers conducted through Sistem BI-RTGS in certain conditions set forth in point A.4 are as follows:
  - a. The Participant lodges a request letter to the Operator not to conduct Fund Settlement operational activities, which may be preceded with facsimile, administrative message, and/or other means.
  - b. The letter set forth in letter a is signed by a Representative Official, who has signature specimen in Bank Indonesia, and then delivered to the address set forth in point II.A.2.a.
  - c. The request set forth in letter a is made among others for the following reasons:
    - 1) Bank Indonesia office in certain region and/or area determines a facultative holiday;
    - 2) Participant's headquarter is within Bank Indonesia regional office set forth in number 1); and/or
    - 3) certain conditions approved by the Operator.
  - d. The Operator will notify the Participant regarding the approval or rejection of its request as set forth in letter a by letter, which may be preceded with facsimile, administrative message, and/or other means.

- e. If the request is approved, the Operator will be announced to all Participants by administrative message regarding the Participant which is not conducting operational activities of Sistem BI-RTGS set forth in letter a.
- f. Any Participant not conducting operational activities oblige to settle the Fund Settlement result for the customer's interest by referring to the provisions on customer protection in fund transfer through Sistem BI-RTGS.

V. FUND TRANSFER THROUGH SISTEM BI-RTGS

A. Fund Transfer Service

1. Fund transfers conducted through Sistem BI-RTGS consist of:

a. Single Credit

Fund Transfer consisting of only 1 (one) Fund Settlement instruction to be forwarded to Fund Settlement Account of receiving Participant, either for the interest of the receiving Participant or the customer of the receiving Participant as specified in the Fund Settlement instruction.

b. Multiple Credit

Fund Transfer consisting of more than 1 (one) Fund Settlement instruction of 10 (ten) at the maximum to be

forwarded...

forwarded to accounts of customers within 1 (one) receiving Participant.

c. Single Debit

Fund Transfer made by Bank Indonesia consisting of 1 (one) Fund Settlement instruction to debit Participant's Fund Settlement Account, either for the interest of Bank Indonesia or for the interest of the fund beneficiary as specified in the Fund Settlement instruction.

2. Any Participant other than Bank Indonesia may only use fund transfer services in the form of single credit set forth in point 1.a and multiple credit set forth in point 1.b.

3. The Fund Transfers set forth in number 1 consist of:

a. Fund Transfer from one Participant to another (transaction between Participants) including:

- 1) Fund Transfer from a Bank to another Bank or non-Bank and vice versa;
- 2) Fund Transfer from the Participant or non-Bank to Bank Indonesia and vice versa;
- 3) Fund Transfer from a Bank to another Bank for USD/IDR PvP settlement; and
- 4) Fund Transfer from a Bank to another Bank for Fund Settlement of Government Securities in foreign exchange (multicurrency transactions).

b. Fund Transfer from Participant to the customer of another Participant including:

1) Fund...

- 1) Fund Transfer from a Bank to Bank Indonesia or vice versa for the interest of a government institution, international financial institution, or Bank Indonesia; and
  - 2) Fund Transfer from a bank to another bank for the interest of Participant's customer in the nominal amount within the fund transfer nominal limit, which may be processed through SKNBI.
  - c. Fund Transfer from Participant's customer to the customer of another Participant.
4. Types of mandatory Fund Transfer through Sistem BI-RTGS include among others:
- a. Fund Transfer from Participant to another Participant (inter-Participant transaction) for the interest of the Participant, including:
    - 1) transaction of Interbank Money Market (PUAB) or Sharia Interbank Money Market (PUAS);
    - 2) transaction with Bank Indonesia made by Bank Indonesia through BI-ETP System and BI-SSSS for Monetary Operations, Sharia Monetary Operations, SBN transactions for and on behalf of the Government and/or other transactions made with Bank Indonesia;

3) interbank...

- 3) interbank transactions for securities sales/purchase which Settlement are made by Delivery versus Payment (DvP) mechanism through BI-SSSS;
  - 4) settlement transactions of multilateral net positions as result of the calculation in SKNBI; and
  - 5) transactions with Bank Indonesia for cash activities, among others are cash withdrawals of Current Accounts, cash deposits of Current Accounts, and other cash related transactions.
- b. Fund Transfer from Participant to another Participant (inter-Participants transaction) for the interest of the Participant's customer in the nominal amount above the fund transfer nominal limit through SKNBI.
5. Types of Fund Transfers, which may be made by the Participant other than Bank Indonesia, are specified under an agreement between the Operator and Participant.
  6. Nominal limit of Fund Transfers, which may be conducted through Sistem BI-RTGS, is specified in Bank Indonesia regulations on fund transfer nominal limit inter-Banks for the interest of customers through Sistem BI-RTGS.
  7. Cash withdrawals, transactions for TSA operation, multicurrency transactions, and PvP transactions through Sistem BI-RTGS are specified as follows:
    - a. Cash withdrawal transaction

- 1) Cash withdrawal transaction made for physical money withdrawals by Participants at Bank Indonesia office.
- 2) For the operation of cash withdrawal transaction set forth in number 1), Participant will send a Fund Settlement instruction to Bank Indonesia by specifying the account number and holder as determined by Bank Indonesia.
- 3) The Fund Settlement instruction set forth in number 2) uses a transaction code and must be sent according to the time period of physical money withdrawal transaction as specified in Appendix IX.
- 4) The Operator will notify any addition to and/or change of the account number set forth in number 2) by administrative message or other means specified by the Operator.
- 5) The physical money withdrawals by the Participant set forth in number 1) must consider cash counter service hours of each Bank Indonesia office. If, until the cash counter service hour ends, the Participant has not made any physical money withdrawal, Bank Indonesia will return the fund to such Participant's Current Account denominated in Rupiah.
- 6) The physical money withdrawals by the Participant set forth in number 1) is made by a Representative

Official or officer authorized to make such physical money withdrawals under the following provisions:

a) KPBI

- (1) The Representative Official and officer must have a power of attorney to make physical money withdrawals at KPBI under the provision specified in point III.C.10.c;
- (2) the officer set forth in number 1) has been registered with KPBI administration; and
- (3) the procedure for physical money withdrawals by the officer set forth in number (2) must be performed under the provisions of cash service system operation .

b) KPwDN

Physical money withdrawals are made by a Representative Official or officer with a power of attorney at KPwDN under the provisions of cash service system operation.

- 7) Physical money withdrawals made by submitting an appointment letter for physical money withdrawals signed by a Representative Official, who has signature specimen in Bank Indonesia, namely at KPBI or working unit responsible for customer

service...



service at KPwDN. The format of such appointment letter is specified in example II.25 in Appendix II.

- 8) In particular conditions, cash withdrawal transaction set forth in number 1) may be made after the payment cash transaction time limit with the approval of Bank Indonesia by considering public interest.
- 9) The cash withdrawals set forth in number 8) are made under the following procedures:
  - a) Participant lodges a cash withdrawal request with the reasons.
  - b) The request set forth in letter a) is signed by a Representative Official, who has signature specimen in Bank Indonesia and submitted to Bank Indonesia c.q. DPU or KPwDN according to their respective operational area.
  - c) Instrument to conduct withdrawals is BI Cheque, which filling and usage procedures are specified in regulations on current account in Bank Indonesia, and stamped Contingency Plan on BI Cheque sheets.
  - d) Cash withdrawals may be made after Participants meet the provisions set forth in letter a) to letter c) and have obtained the approval of Bank Indonesia:

- (1) DPU for Participants for cash withdrawals at KPBI; or
  - (2) KPwDN for Participants for cash withdrawals at KPwDN according to their respective operational areas.
- b. Transactions for TSA Implementation
  - 1) Participant as TSA agent is as specified by the Government c.q. Director General of Treasury, Ministry of Finance of the Republic of Indonesia.
  - 2) The Operator determines:
    - a) types of transaction for TSA operation through Sistem BI-RTGS;
    - b) TSA transaction codes; and
    - c) TSA transaction filling procedure, as set forth in Appendix XI.
  - 3) For TSA operation, the Participant set forth in number 1) will send Fund Settlement instruction by using transaction codes specified by the Operator and filling information on field 70 (Remittance Information), field 72 (Sender to Receiver Information), and other fields according to the procedures set forth in Appendix XI.
  - 4) Participant sending Fund Settlement instruction set forth in number 3) will be charged with inter-Participant single credit transaction fee for

customers...

customers for TSA set forth in point 1.c in Appendix X.

- 5) Any Participant, who send Fund Settlement instruction for TSA operation by using transaction codes other than as set forth in Appendix IX, will be charged with single credit transaction cost set forth in point 1.a in Appendix X.
- 6) If any Participant sending Fund Settlement instruction for TSA transaction fails to meet the provisions set forth in number 2) and 3), the Participant will be charged with inter-Participant single credit transaction cost for customers set forth in point 1.a in Appendix X and administrative sanction in the form of payment obligation for misusing transaction code.
- 7) The time limit of Fund Settlement for transaction set forth in number 2).a) refers to the activity time period set forth in Appendix IX.
- 8) If the Participant conducts an error in filling fund amount and/or duplicating transaction in sending Fund Settlement instruction to the government institution's account in Bank Indonesia related to other TSA transactions, such transaction will be settled in a bilateral manner between the sending Participant and owner of Sub-RKUN KPPN account

or owner of another government institution account as fund beneficiary.

c. Multicurrency transaction

- 1) Multicurrency transaction in Sistem BI-RTGS is used for Fund Settlement of inter-Participant accounts transaction in Bank Indonesia in the same foreign currency.
- 2) Participant, which may make the multicurrency transaction set forth in number 1) is the owner of Current Accounts in foreign currency in Bank Indonesia under Bank Indonesia provisions on current accounts in Bank Indonesia.
- 3) If there is new Participant owning Current Accounts in foreign currency in Bank Indonesia, the Operator will notify Participant by administrative message and/or other means.
- 4) Multicurrency transaction, which may be made in Sistem BI-RTGS, includes:
  - a) Transaction in United States Dollar among others are:
    - (1) Inter-Participant transaction with Bank Indonesia for the interest of the government for auction results, principal payments, and/or SBN coupons in United States Dollar; and

(2) Inter-Participant...

(2) Inter-Participant SBN transaction in Secondary Market in United States Dollar through BI-SSSS.

b) Transaction in other foreign currency determined by the Operator.

d. PvP Transaction

- 1) PvP transaction in Sistem BI-RTGS is used for inter-Participant selling and buying transaction of United States Dollar against Rupiah .
- 2) PvP transaction may only be made by Participant registered as USD/IDR PvP user.
- 3) PvP transaction may only be made by Participant during operation of Sistem BI-RTGS and USD CHATS.
- 4) The Participant set forth in number 2) acting as United States Dollar buyer will send Fund Settlement instruction denominated in Rupiah through Sistem BI-RTGS by using transaction codes and filling procedures of Fund Settlement instruction set forth in Appendix IX and Appendix XI.
- 5) The Participants set forth in number 2) acting as United States Dollar seller will send fund settlement instruction in United States Dollar through USD CHATS.

6) For...

- 6) For Fund Settlement operation, the following will be made:
- a) Sistem BI-RTGS and USD CHATS conduct matching process between Fund Settlement instruction set forth in number 4 and fund settlement instruction set forth in number 5.
  - b) If Fund Settlement instruction in Sistem BI-RTGS matching to the fund settlement e in USD CHATS:
    - (1) Balance in Fund Settlement account of any buying Participant will be held in the amount of PvP transaction nominal; and
    - (2) Fund Settlement will be conducted for PvP transaction in the event the holding fund for United States Dollar in USD CHATS is successful; or
    - (3) PvP transaction will be put in Queueing System in the event the Fund Settlement Account balance is insufficient.
  - c) If the same data between Fund Settlement instruction in Sistem BI-RTGS and fund settlement instruction in USD CHATS is not found, PvP transaction status becomes pending.

B. Preparation and Delivery of Fund Settlement Instruction

Delivery of Fund Settlement instruction through Sistem BI-RTGS is specified as follows:

1. Participant makes Fund Settlement instruction based on documents, notes, or electronic data in the format determined by each Participant.
2. Construction of Fund Settlement instruction by Participant set forth in number 1 is made under the following provisions:
  - a. shall fulfill Fund Settlement instruction procedure in accordance with message standardization of Fund Transfer through Sistem BI-RTGS set forth in Appendix VII.
  - b. oblige to use correct transaction code as determined by the Operator set forth in Appendix IX.
3. Fund Settlement instruction delivery time and Fund Settlement operation time are specified as follows:
  - a. Participant may conduct Fund Settlement instruction delivery with the same Fund Settlement value date as Fund Settlement instruction delivery date during Fund Settlement transaction code time period as determined by the Operator;
  - b. Participant may conduct delivery of future date Fund Settlement instructions for Fund Settlement value date at the maximum of 7 (seven) business days from Fund Settlement instruction delivery date to RCN.

c. Fund...

- c. Fund Settlement for Fund Settlement instruction sets forth in letter b is conducted on Fund Settlement value date according to the Fund Settlement transaction time period for future date transaction.

C. Fund Settlement

1. Fund Settlement Account

- a. Fund Settlement Account consists of:
  - 1) Current Account; and
  - 2) other accounts, denominated in Rupiah and foreign currencies.
- b. Fund Settlement account may have subaccounts as its part which type and intended usage are determined by the Operator.
- c. The Operator may determine the usage of subaccount among others for fund reserved for Fund Settlement of USD/IDR PvP transaction.
- d. In the event of any addition and/or change of type and intended usage of subaccounts set forth in letter b, the Operator will notify Participants of such change by administrative message or other means determined by the Operator.

2. Fund Settlement Principles

- a. Fund Settlement in Sistem BI-RTGS is final and may not be canceled.

b. Fund...



b. Fund Settlement is made by considering the following factors:

- 1) sufficiency of fund on debited Participant's Fund Settlement Account;
- 2) sufficiency of collateralized FLI in the case of fund insufficiency in Participant's Fund Settlement Account ;
- 3) order of Fund Transfers submitted;
- 4) opposing Fund Transfers to check the possibility of offsetting;
- 5) bilateral and multilateral sending limits;
- 6) execution time of Fund Transfer set by sending Participant; and/or
- 7) status of sending Participant and receiving Participant.

c. Fund Settlement in Sistem BI-RTGS uses funds in Fund Settlement Account.

d. Fund usage in Fund Settlement Account set forth in letter c is specified as follows:

- 1) Account balance used by Participant for Fund Settlement is the total balance in Fund Settlement Account after reduced by subaccount balance.

Example:

Participant's Current Account balance denominated in Rupiah is Rp 100,000.00. Fund reserved in a

subaccount...

subaccount for PvP transaction is Rp 20,000.00. The written total balance is Rp 100,000.00, but the effective balance which may be used for transactions is Rp 80,000.00.

- 2) Subaccount balance is used to conduct Fund Settlement for transactions set forth in point 1.c by using the fund reserved by Participant in the subaccount.

### 3. Fund Settlement Mechanism

- a. Fund Settlement for Fund Transfers through Sistem BI-RTGS is made on transaction-by-transaction basis in real-time.
- b. Fund Settlement set forth in letter a is conducted under the following mechanism:
  - 1) Fund Settlement is only conducted by taking into account fund sufficiency on debited Participant's Fund Settlement Account.
  - 2) Fund Settlement for transactions in queue is conducted by taking into account fund sufficiency on Participants' Fund Settlement Account and Fund Transfers in queue of both a Participant and its counterparty.
  - 3) Fund Settlement set forth in number 2) may be conducted if the following requirements are fulfilled:

a) there...

- a) there are counterparty (opposing) Fund Transfers in queue; and
- b) simulation of the offsetting results in the simulated balance able to cover Fund Settlement of Fund Transfers in queue.

#### 4. Transaction Priority, Queueing System, and Queue Management

##### a. Transaction Priority

The Operator determines priority groups including priority numbers in each group consisting of:

##### 1) High Priority Group

- a) Transactions included in high priority group among others are transaction from Participant to government institution or vice versa, transaction from Bank Indonesia to Participant, and Settlement of multilateral net positions from SKNBI.
- b) High priority group consists of priority numbers from 1-10 with the standard (default) number of 5.

##### 2) Priority Group

- a) Transactions included in priority group among others are transactions for Fund Settlement of transactions of Securities administered on BI-SSSS.

b) Priority...

- b) Priority group consists of priority numbers from 11 to 50 with the standard (default) number of 30.

3) Normal Group

- a) Transactions included in normal group among others are transactions of customer inter-bank and inter-Participant.
- b) Normal group consists of figures from 51 to 98 with the standard (default) number of 70.

4) Settle or Reject Group

- a) Transactions of priority group with only option of settle-or-reject will be immediately rejected by RCN without put in queue if fund on debited Participant's Fund Settlement Account is insufficient.
- b) Settle or reject group uses priority number of 99.

b. Queueing System

- 1) Fund Transfer put in queue is transaction which meets the following criteria:
  - a) Balance of Participant's Fund Settlement Account is insufficient to be debited for the Fund Settlement .

b) Value...

- b) Value of Fund Transfer exceeds fund reserved in the subaccount of fund reserved as set forth in point 1.c.

2) Settlement of Fund Transfers in queue is specified as follows:

- a) Settlement of Fund Transfers in queue of high priority and priority group is conducted by First In First Out (FIFO) principle.
- b) Settlement of Fund Transfers in queue of normal group is conducted by First Available First Out (FAFO) principle.
- c) Fund Transfers in queue of normal group shall not be conducted if transactions in queue of high priority or priority group is still in the Queue System.
- d) A Fund Transfer in the Queue System will be automatically canceled by RCN based on the cut off time of transaction type code for such Fund Transfer in queue and/or in the beginning of cut-off warning of Sistem BI-RTGS.

c. Management of Transactions in Queue

Participant may manage Fund Transfers in the Queue System by applying the following procedures:

1) Reordering

a) Reordering...

- a) Reordering for a Fund Transfer in queue is conducted by changing the priority number of the Fund Transfer with the number in the same priority group.
- b) Participant may only conduct reordering of queued Fund Transfers in priority or normal group.

2) Reprioritization

- a) Reprioritization of a Fund Transfer in queue is conducted by changing the priority group of the queued Fund Transfer to a priority number of higher or lower priority groups.
- b) Participant may only conduct reprioritization from priority group to normal group or vice versa.

3) Cancellation

- a) Cancellation of a Fund Transfer in queue is conducted by canceling such queued Fund Transfer.
- b) Participant may conduct cancellation of queued Fund Transfer in high priority group, priority group, and normal group.

5. Risk Management

To mitigate liquidity and credit risks, Sistem BI-RTGS is equipped with the following facilities:

a. FLI...

a. FLI

- 1) The Operator provides FLI for Participant to be used if Fund Settlement Account is insufficient to conduct Fund Settlement.
- 2) in the event the Participant uses FLI for Fund Settlement as set forth in number 1), the Operator will credit such Participant's Current Account for the fund disbursement for FLI usage in the amount needed by such Participant.
- 3) Procedure for and provision on FLI usage, repayment, and fee refer to Bank Indonesia regulation on FLI usage procedure.

b. Throughput Guideline

- 1) Throughput guideline contains gradual settlement target in the form of phase percentage of the total nominal for Fund Settlement transactions in 1 (one) day with the following reference:
  - a) At least 30% (thirty percent) of the total outgoing payments nominal is settled before 10.00 WIB.
  - b) At least 30% (thirty percent) of the total outgoing payments nominal is settled from 10.00 to 14.00 WIB.

c) 40%...

- c) 40% (forty percent) of the total outgoing payments nominal is settled from 14.00 to 18.00 WIB.
- 2) Participant may use the throughput guideline set forth in number 1) as a reference for Fund Settlement through Sistem BI-RTGS.
- c. Liquidity Management Facility
  - 1) Sistem BI-RTGS provides liquidity management facility which may be used by Participant to increase liquidity usage efficiency.
  - 2) Liquidity management facility in Sistem BI-RTGS set forth in number 1) consists of:
    - a) Counterparty Limit
      - (1) Counterparty limit is used in the event Participant will limit liquidity usage for Fund Settlement of transaction with a particular Participant.
      - (2) Counterparty Limit consists of:
        - (a) Bilateral limit is a liquidity limit which may be used for Fund Settlement of transaction with one particular Participant.
        - (b) Multilateral limit is liquidity limit which may be used for Fund Settlement of transaction with

Participant...



Participant other than Participant which bilateral limit has been determined by such Participant.

(3) Transaction types which their Fund Settlement may be limited by Counterparty Limit is only transaction types in normal group.

(4) Counterparty Limit does not apply to Bank Indonesia.

b) Account Limit

Account limit is used to reserve some liquidity by Sistem BI-RTGS Participating Bank for Fund Settlement of USD/IDR PvP transaction.

c) Execution Time for Fund Settlement

(1) Execution time for Fund Settlement is used in the event Participant will determine the execution time of Fund Settlement of its Fund Transfer.

(2) Execution time for Fund Settlement consists of:

(a) Earliest Time, used in the event Participant is going to determine the time indicator from a certain time when Fund Settlement of its Fund Transfer will be processed in RCN.

(b) Latest...

- (b) Latest Time, used in the event Participant is going to determine the time indicator of up to a certain time limit of Fund Settlement of its Fund Transfer. If its Fund Transfer cannot be settled up to the defined time, it will stay in the queue, and Sistem BI-RTGS will issue notification to such Participant several minutes before the defined time.
- (c) Reject Time, used in the event the Participant is going to determine the time limit of its Fund Transfer to be cancelled by Sistem BI-RTGS if its Fund Transfer is in queue.
- (3) Participant may use execution time of Fund Settlement consistent with the time period of each transaction type code as determined by the Operator.
- (4) Participant may use execution time of Fund Settlement for every Fund Transfer sent, and Participant may change the execution time provided that the Fund Settlement of the Fund Transfer in queue within the defined times has not been

taken...

taken place successfully or the defined times are not yet elapsed.

d. Liquidity Saving Facility

1) Sistem BI-RTGS provides liquidity saving facility to assist Participant to increase liquidity usage efficiency and for smoothness of Fund Settlement.

2) Liquidity saving facility in Sistem BI-RTGS as set forth in number 1) consists of:

a) Bilateral Offsetting

(1) Bilateral offsetting is used to conduct Fund Settlement through offsetting in a bilateral manner for bilaterally opposing Fund Transfers in queue.

(2) Transaction type codes which Fund Settlement may be conducted with bilateral offsetting are those in normal group.

b) Multilateral Offsetting

(1) Multilateral offsetting is used to conduct Fund Settlement for Fund Transfers in queue through offsetting in multilateral manners.

(2) Transaction type codes which Fund Settlement may be conducted with multilateral offsetting mechanisms are

those...

those in high priority group, priority group, and normal group..

- (3) Queued Fund Transfers being multilaterally offset may not be reprioritized, reordered, and cancelled by Participant.

e. Gridlock Resolution

- 1) Gridlock is a condition when Fund Settlement transactions in queue congested in a systemic manner because Participant's transactions in the Queueing System may not be settled to a certain condition according to the criteria specified by the Operator.
- 2) The Operator determines the gridlock condition set forth in number 1) based on the following criteria:
  - a) number of transactions in the Queueing System;
  - b) value of transactions in the Queueing System; and/or
  - c) number of transactions in the Queueing System as from the last Fund Settlement.
- 3) Gridlock resolution will be conducted by the Operator in FAFO method if one of the criteria specified by the Operator as set forth in number 2) has been fulfilled.

6. Fund Settlement Evidence and Report

a. Fund Settlement evidence which shall be administered by Participant consists of:

1) Documents, notes, or electronic data used as the basis for Fund Settlement Operation.

2) Electronic documents or Computer Processed Result (HOK) of Sistem BI-RTGS consisting of:

a) Fund Settlement instruction containing original Message Type (MT) 102, MT103, and MT202 for sending Participant and copies of MT102, MT103, and MT202 for receiving Participant; and/or

b) Fund Settlement confirmation consisting of debit confirmation (MT900) for Participant which account is debited and credit confirmation (MT910) for Participant which account is credited.

b. Bank Statement in the form of MT940 and MT950 contains balance information and Fund Settlement movement.

c. Participant administer the documents set forth in letter a and letter b with retention in accordance with the applicable laws and regulations.

7. Obligation to Forward Fund Transfer Instruction and Fund Settlement Result

Sending...

Sending Participant obliged to conduct Fund Transfer instruction at the request of sending customer and receiving Participant obliged to forward the fund of Fund Settlement result to receiving customer as specified in a Bank Indonesia regulation on customer protection in fund transfer operation through Sistem BI-RTGS.

8. Fund Return Mechanism

- a. Fund return for inter-Participant transaction for customer's interest which Fund Settlement has been conducted in Sistem BI-RTGS may be conducted based on receiving Participant initiative or at the request of sending Participant.
- b. Fund return set forth in letter a is specified as follows:
  - 1) Fund Return on the Initiative of Receiving Participant
    - a) Receiving Participant returns the fund of Fund Settlement if the data of fund receiver contained in Fund Settlement confirmation (MT910) does not match the data in the Participant's account administration or fund receiver identity. Receiving Participant shall immediately return such transfer to the sending Participant.

(b) Fund...

- b) Fund return set forth in letter a) is conducted by sending Fund Settlement instruction by applying the following procedure:
    - 1) use MT202;
    - 2) specify reference number of return transaction in the Related TRN field (field 21);
    - 3) use transaction code 190 (Return Transactions Inter-Participant); and
    - 4) primarily for fund return transactions to Bank Indonesia, specify the designated account in Bank Indonesia in SOSA Account field (field 58D), namely 561990001980 "Intermediary Account for Bank Indonesia RTGS Return Transaction".
  - c) in the event the Participant conduct cash withdrawal transaction and such Participant does not collect the physical money until the determined time limit, Bank Indonesia will return the fund to the Participant's Current Account without waiting for any request from sending Participant.
- 2) Fund Return at the Request of Sending Participants

a) Fund...

- a) Fund return at the request of sending Participant is made if sending Participant conduct errors among others are errors in specifying fund amount, fund receiver, and/or duplication in Fund Transfer instruction delivery.
- b) Sending Participant may request fund return for transaction which Fund Settlement has been conducted in the following procedure:
  - (1) Participant sends fund return request instruction by Request for Payment Return (MTn95/RTRN) message to receiving Participant through RPG or RSTPG application.
  - (2) Sending Participant sends an administrative message on indemnity to receiving Participant. Such indemnity must at least contain:
    - (a) indemnity for receiving Participant, including all of their employees and other parties related to the conduct of fund return for inter-Participant transaction for the customer's interest which Fund Settlement has been conducted through Sistem BI-



RTGS against any potential claims, actions, obligations, costs and fees, including legal settlement costs and other fees, claims or losses incurred from the fund return conducted the receiving Participant, either at the request of the sending Participant or because the receiving Participant must perform obligations according to the statement contained in the indemnity; and

- (b) willingness of the sending Participant to assume all costs and fees related to any claims, actions, demands, and other obligations, including legal settlement costs and other fees, as well as any losses suffered by the receiving Participant resulting from fund withdrawal from an ineligible receiving customer.
- c) Provisions and mechanism for fund return at the request of sending Participant refer to Bank Indonesia regulation on customer protection in fund transfer operation through Sistem BI-RTGS.

d) in...

- d) in the event the sending Participant makes errors in specifying fund amount, fund receiver, and/or transaction duplication in the Fund Settlement instruction delivery to the government's account in Bank Indonesia in relation to the State's revenue transfer transactions or other TSA transactions, then the transaction will be settled in a bilateral manner between the sending Participant and owner of Sub-RKUN KPPN account or owner of any government's institution account.

9. Transaction Correction Mechanism

Sending Participant may lodge correction of transaction to Participant's customer whose Fund Settlement has been made in Sistem BI-RTGS under the following provisions:

- a. Correctible transaction data is limited only to the data of fund receiver customer identity, including name, address, and/or transaction information.
- b. Sending Participant requests corrections with the indemnity set forth in point 8.b.2)b)(2) through administrative message.
- c. Receiving Participant who receive the transaction correction request shall immediately respond by giving approval or rejection through administrative message.

VI. FEE OF FUND SETTLEMENT OPERATION THROUGH SISTEM BI-RTGS

The Operator determines the payable fee by Participants in Fund Settlement operation through Sistem BI-RTGS under the following provisions:

A. General Principle

1. Participant is charged with fee for Fund Settlement operation through Sistem BI-RTGS.
2. Participant may charge transaction fee through Sistem BI-RTGS to its Customer.
3. The Operator may determine the maximum limit of transaction fee charged by Participant to its Customer.

B. Fund Settlement Implementation Cost Charged by the Operator to Participant

1. Type and Amount of Fee

a. Types of fee in Fund Settlement operation consist of:

1) Fund Settlement instruction fee including:

- a) delivery fee of Fund Settlement instruction for single credit transactions; and
- b) delivery fee of Fund Settlement instruction for multiple credit transactions,

the amount of which is determined based on the time period determined by the Operator.

- 2) Administrative message fee, which amount is determined by the Operator based on each administrative message delivery.

3) Activity...

- 3) Activity time period extension fee at Participant's request which amount is determined by the Operator based on time extension duration of every 30 (thirty) minutes.
- 4) Fund Settlement instruction by using BI Cheque and/or BGBI fee which amount is determined by the Operator based on each Fund Settlement instruction.
- 5) Guest Bank Facility usage fee is under the following provisions:
  - a) the amount of fee is determined by the Operator based on the usage time duration of every 1 (one) hour; and
  - b) the amount of fee set forth in letter a) is calculated based on the attendance list signed by the Operator and Participant. Example of Guest Bank Facility usage cost calculation is set forth in Appendix X.
- 6) Replacement cost of lost, broken, or new Digital Certificate Hard Token exceeding the maximum limit is determined by the Operator based on each 1 (one) replaced or added Digital Certificate Hard Token.

- b. The amount of fee/cost in Fund Settlement operation through Sistem BI-RTGS is determined in the fee/cost breakdown as set forth in Appendix X.
- c. The amount of fee/cost set forth in letter b is excluding Value Added Tax (VAT).
- d. The Operator may exempt certain fee/cost in Sistem BI-RTGS operation in the event of Unforseeable Condition and/or Emergency Condition.
- e. Certain fee/cost exemption set forth in letter d is excluding VAT exemption.

2. Fee or Cost Calculation and Charge

Fee or cost calculation and charge in Sistem BI-RTGS operation are conducted by the Operator under the following provisions:

- a. Fee of Fund Settlement instruction for single credit transaction set forth in point 1.a.1)a) and VAT are calculated based on Fund Settlement instruction delivery and fee of administrative message set forth in point 1.a.2) and VAT are calculated based on administrative message delivery for each Participant at the end of the same day on the delivery date of Fund Settlement instruction and/or administrative message.
- b. Fee of Fund Settlement instruction for multiple credit transaction set forth in point 1.a.1)b) and VAT are calculated at the end of a month for each Participant.

c. Fee...

- c. Fee of Fund Settlement and VAT for transaction using TSA transaction code which do not match that specified by the Operator are calculated monthly based on Fund Settlement instruction delivery.
- d. Fee of of Fund Settlement activity time extension set forth in point 1.a.3) and VAT are calculated based on activity period time extension duration proposed by Participant.
- e. Fee of BI Cheque and/or BGBI usage set forth in point 1.a.4) and VAT are calculated based on Fund Settlement instruction using BI Cheque and/or BGBI.
- f. Fee of Guest Bank Facility usage set forth in point 1.a.5) and VAT are calculated based on the duration of Guest Bank Facility usage.
- g. Cost of Digital Certificate Hard Token usage set forth in point 1.a.6) and VAT are calculated based on Digital Certificate Hard Token which is replaced or added.
- h. Fee or cost is charged by the Operator by debiting Participant's Current Account denominated in Rupiah under the following provisions:
  - 1) the fee set forth in letter a is charged on the 1 following business day after the calculation date;
  - 2) the fee set forth in letter b and letter c are charged at the end of the following month at the latest; and

3) the...

- 3) the fee or cost set forth in letter d, letter e, letter f, and letter g are charged at the latest 1 following business day after the date of Fund Settlement activity time extension, Fund Settlement operation using BI Cheque and/or BGBI, Guest Bank Facility usage, and/or delivery of replacement and/or addition of Digital Certificate Hard Token to Participants.
  - i. Primarily for calculation and charge of fee of Fund Settlement instruction failing to pass system validation are conducted cumulatively in the following month.
- C. Fund Transfer Fee Through Sistem BI-RTGS Charged by Participant to Participant's Customer
1. Participant may determine and charge Fund Transfer fee to customer of Rp 35,000.00 (thirty-five thousand rupiah) at the maximum.
  2. Participant obliged to announce:
    - a. the amount of Fund Transfer fee through Sistem BI-RTGS determined by the Operator; and
    - b. the amount of Fund Transfer fee through Sistem BI-RTGS determined and charged by Participant to customer.
  3. Provision for announcement procedure set forth in number 2 refer to Bank Indonesia regulation on customer protection in fund transfer operation through Sistem BI-RTGS.

## VII. HANDLING OF UNFORESEEABLE CONDITION AND/OR EMERGENCY CONDITION

Provisions and procedures for maintaining sustainable Fund Settlement operation through Sistem BI-RTGS in the event of Unforeseeable Condition and/or Emergency Condition are specified as follows:

### A. Unforeseeable Condition and/or Emergency Condition at the Operator

#### 1. Unforeseeable Condition at the Operator

In the event of Unforeseeable Condition at the Operator which affects the smoothness of Fund Settlement operation through Sistem BI-RTGS or resulting the Operator unable to conduct Sistem BI-RTGS operational activities, the following procedures apply:

- a. Operator notifies all Participants on the occurrence of Unforeseeable Condition and necessary steps by administrative message and/or other means.
- b. in the event of Unforeseeable Condition resulting in Sistem BI-RTGS operational activities impossible to conduct, the following steps must be taken by Participant:
  - 1) Temporarily suspend Fund Settlement delivery activity and other activities through Sistem BI-RTGS.

2) If...



- 2) If Sistem BI-RTGS come into operation, Participant conduct take the following steps:
  - a) reconnect to Sistem BI-RTGS;
  - b) reconcile transaction data in Participant's system with Sistem BI-RTGS transaction data at the Operator and check Current Account balance position through RPP; and
  - c) inform to Sistem BI-RTGS help desk if based on the reconciliation result set forth in letter b), there is a difference of Fund Settlement transaction data and/or Current Account balance.
- c. The activities set forth in number 2 are conducted by Participant based on a notice from Operator by administrative message, BI-SSSS, Sistem BI-RTGS help desk, and/or other means.
- d. In the event of an Unforeseeable Condition resulting in Sistem BI-RTGS unable to operate until the time limit determined by Operator accordingly Operator determine the policy and procedure for handling Unforeseeable Condition and notify them to Participants.
- e. in the event of Unforeseeable Condition occurs in Sistem BI-RTGS, resulting in USD/IDR PvP Fund Settlement unable to be conducted, Operator will inform Participant

by...

by administrative message to settle PvP transactions using system other than that provided by Operator.

2. Emergency Condition at Operator

In the event of Emergency Condition occurs at the Operator's location which affects the smoothness of Sistem BI-RTGS operation or resulting in Sistem BI-RTGS unable to operate until the determined time limit, Operator determine the policy and procedure for handling Emergency Condition and notify all Participants of such Emergency and necessary steps to be conducted by Participant in Sistem BI-RTGS operation.

B. Unforeseeable Condition and/or Emergency Condition at Participant

1. In the event of Unforeseeable Condition and/or Emergency Condition at Participant affecting the smoothness of transaction settlement through Sistem BI-RTGS, the following procedures apply:

- a. Participant shall notify the Operator regarding the occurrence of such Unforeseeable Condition and/or Emergency Condition;
- b. The notice set forth in letter a is submitted to:
  - 1) Sistem BI-RTGS help desk by phone at least 30 (thirty) minutes as from the Unforeseeable Condition and/or Emergency Condition and further submit a written to the Operator regarding the said

Unforeseeable...

Unforeseeable Condition and/or Emergency Condition and their causes; and/or

- 2) Operator by letter preceded by facsimile in the event the Participant needs a follow up to Fund Settlement activity time extension for required transaction code in accordance with the procedure set forth in point IV.C.5.

2. In the event of Unforeseeable Conditions and/or Emergency Condition at the Participant resulting such Participant unable to conduct Sistem BI-RTGS operational activities, the following procedures apply:

- a. in the event the Participant unable to use Main RPP, Participant may use Back-up RPP.
- b. in the event the Participant unable to use Back-up RPP or Participant unable to send Fund Settlement instruction from its office location, Participant may use:
  - 1) Guest Bank Facility; or
  - 2) BI Cheque for cash withdrawal and/or BGBI for Fund Settlement operation, if the usage of Guest Bank Facility is impossible, among others because the time to prepare the Guest Bank Facility is insufficient.
- c. in the event the Participant decides not to conduct operational activities, Participant shall immediately

notify...

notify Operator by letter which may be preceded by facsimile or other means determined by the Operator.

3. In the event of Unforeseeable Conditions and/or Emergency Condition occurs at the Participant, the Operator may determine the policy, procedure, and others necessary steps for transaction settlement by Participants through Sistem BI-RTGS.

C. Guest Bank Facility Usage

1. Guest Bank Facility usage is specified as follows:
  - a. Guest Bank Facility may be used by Participant during the operational hour of Fund Settlement operation to deliver Fund Settlement instruction according to the valid transaction activity time period.
  - b. Operator may determine the maximum time limit for Guest Bank Facility usage if the number of Participants requesting Guest Bank Facility usage exceeds the available capacity.
2. Procedures for Guest Bank Facility usage are specified as follows:
  - a. Participant lodges a request letter to Operator to use Guest Bank Facility, which may be preceded by information submission by phone, facsimile, and/or other means in the format set forth in example II.26 in Appendix II.

b. The...

- b. The request letter set forth in letter shall at least contains:
  - 1) reason for using Guest Bank Facility;
  - 2) location of Guest Bank Facility usage; and
  - 3) method of Guest Bank Facility usage.
- c. The request letter set forth in letter a, is signed by a Representative Official who has signature specimen in Operator.
- d. The request letter set forth in letter a is submitted to the Operator's address set forth in point II.A.2.a and may be preceded by facsimile to the number set forth in point II.A.3.a and/or by other means.
- e. For Participants operating within the operational area of KPwDN, the letter set forth in letter a, is submitted to Operator and the copy is delivered to KPwDN providing Guest Bank Facility.
- f. Operator grant approval or rejection for the request set forth in letter a by administrative message or other means.
- g. If the request letter set forth in letter a is approved, Participant shall prepare transaction data and other requirements for operation within Bank Indonesia location in accordance with Guest Bank Facility usage for Participant set forth in Appendix XII.

h. If...

- h. If the number of Participants lodging the request exceeds the provided Guest Bank Facility capacity, Operator may determine the order of Guest Bank Facility usage based on Participant arrival order.
- D. Usage of Bank Indonesia Check and/or Bank Indonesia Bilyet Giro in Unforeseeable Condition and/or Emergency Condition
  - 1. Provisions for BI Cheque and/or BGBI are specified as follows:
    - a. BI Cheque and/or BGBI may be used by Participant in the operation of Fund Settlement through Sistem BI-RTGS during operational hours to conduct Fund Settlement instruction delivery for cash withdrawal transaction by BI Cheque and/or fund transfer by BGBI according to the Fund Settlement time period for valid transactions.
    - b. Fund Settlement instructions using BGBI set forth in letter a are limited to single credit transactions between Participants not for customer's interest, except for single credit transactions designated to customers holding accounts with Bank Indonesia.
  - 2. Procedures for using BI Cheque and/or BGBI set forth in point 1.a. are specified as follows:
    - a. Participant lodges a request letter to conduct Fund Settlement instruction delivery for cash withdrawal

transaction...

transaction by BI Cheque and/or fund transfer by BGBI, which at least contain the following:

- 1) reason for using BI Cheque and/or BGBI; and
- 2) location of BI Cheque and/or BGBI usage.

The request letter for BI Cheque and/or BGBI usage applies the format set forth in example II.27 in Appendix II.

- b. The request letter set forth in letter a is signed by a Representative Official who has signature specimen at the Operator.
- c. The request letter set forth in letter a is submitted to Operator's address set forth in point II.A.2.a and may be preceded by facsimile to the number set forth in point II.A.3.a.
- d. The Operator grant approval or rejection for the request set forth in letter a by letter which may be preceded by phone, facsimile, or other means.
- e. If the request is approved by Operator, Participant will submit BI Cheque and/or BGBI under the following provisions:
  - 1) For operation in KPBI:
    - a) BI Cheque is submitted to Money Management Department (Departemen Pengelolaan Uang).
    - b) BGBI is submitted to Operator.

2) For...

- 2) For operation in KPwDN, BI Cheque and/or BGBI are/is submitted to KPwDN which in the area of Participant's office.
  - 3) BI Cheque and/or BGBI set forth in number 1) and number 2) are/is filled in and signed in accordance with the provisions on current account in Bank Indonesia and affixed with Contingency Plan stamp on each sheet of BI Cheque and/or BGBI as set forth in Appendix XIII.
  - 4) BI Cheque and/or BGBI are/is submitted no later than the Fund Settlement instruction delivery time period based on the expiration of the relevant transaction code.
- f. Bank Indonesia conducts Fund Settlement instruction delivery process if the submitted BI Cheque and/or BGBI fulfilled the requirements specified by Bank Indonesia.
  - g. Fund Settlement evidence of Fund Settlement instruction delivery by using BI Cheque and/or BGBI will be delivered to Participant's RPP if the Participant's Sistem BI-RTGS resume normal operation.

#### VIII. EXCLUSION OF THE OPERATOR'S LIABILITY

Operator will be held harmless from all claims of any losses suffered by any Participant or third parties arising and/or potentially arising from:



1. delay in or undeliverable of Fund Settlement resulting from negligence, Unforeseeable Condition, and/or Emergency Condition among others owing to:
  - a. Guest Bank Facility usage by Participant; or
  - b. BI Cheque and/or BGBI usage by the Participant;
2. Fund Settlement instruction delivery conducted by an incompetent official;
3. Errors in Fund Settlement instruction data delivered by Participant; and/or
4. Unforwarded Fund Settlement instruction under binding decision of a competent supervisory institution, arbitration award, and/or court decision. <20160527 – 3M>

#### IX. PARTICIPANT COMPLIANCE MONITORING

Implementation of Participant compliance monitoring by the Operator is specified as follows:

1. The Operator conducts monitoring Participant compliance to the provisions determined by Operator.
2. Monitoring by the Operator set forth in number 1 is conducted on-site and off-site.
3. On-site monitoring set forth in number 2 is conducted by the Operator through periodic and/or occasional examination, if necessary.
4. In term of off-site monitoring, the following provisions apply:

a. Off-site...

- a. Off-site monitoring to the Participant is conducted through research, analysis, and evaluation of:
  - 1) periodic and/or incidental reports submitted by Participant to the Operator; and
  - 2) data, information, and/or documents obtained from:
    - a) the monitored Participant;
    - b) the Operator's system; and/or
    - c) other parties.
- b. Participant shall submit reports to the Operator under the following provisions:
  - 1) Periodic Report
    - a) Periodic report in the form of Compliance Assessment Report (LHPK)

LHPK is an annual report containing internal assessment result set forth in point III.I.1.b.2) from January 1<sup>st</sup> to December 31<sup>st</sup>.

LHPK format is determined by the Operator and delivered to the Participant by letter and/or other means.
    - b) LHPK set forth in letter a) is submitted in writing by the Participant to the Operator by letter and/or other means determined by the Operator.
    - c) LHPK is submitted by the Participant no later than March 31<sup>st</sup> in the following year.

If...

If the date above is on Saturday, Sunday, or holiday, the submission time limit will be on the following business day.

- d) In the event the Participant delays in submitting periodic report, the Participant remain obliged to submit the periodic report no later than 30 (thirty) business days as from the periodic report time limit determined by the Operator.
- e) Participant will be declared fails to submit its periodic report if the Participant does not submit its periodic report until the time limit set forth in letter d).

2) Incidental Report

Incidental reports consist of:

- a) report submitted by the Participant to the Operator at the Operator's request; and/or
- b) report submitted to the Operator on the Participant's initiative, for example disruption report of Participant's Sistem BI-RTGS.

3) Reports set forth in number 1) and number 2) are submitted to the Operator at the address set forth in point II.A.2.b.

- c. Based on the off-site monitoring set forth in letter a, and letter b, the Operator may ask for clarification and/or confirmation to the Participant of any information, data, and/or document.

d. In...

- d. In the event of, based on the off-site monitoring result, any follow-ups are needed by the Participant, the Operator will submit a notice to the Participant to induce change for fulfillment of provisions determined by the Operator.

5. On-Site Monitoring

In term of on-site monitoring, the following provisions apply:

- a. On-site monitoring is conducted through periodic and occasional examination if necessary.
- b. In the examination set forth in letter a, the following provisions and procedures apply:
  - 1) The Operator's officer conducting the examination is equipped with an assignment letter from the Operator.
  - 2) The Participant oblige to grant at least the following access to the officer set forth in number 1):
    - a) required information, data, and/or documents; among others are original documents and/or their copies in the form of notes and/or electronic data in relation to Sistem BI-RTGS operation; and
    - b) physical facility and supporting application related to Sistem BI-RTGS operation; among others are RPP and interface from and to the Participant's internal system.
  - 3) The Operator may appoint another party for and on behalf of the Operator to conduct the examination set forth in letter a.

4) The...

- 4) The Participant obliged to give explanation or information to the officer conducting examination for clarification and/or confirmation of information, data, and/or documents as well as physical facility and supporting application.
- c. The Operator's officer conducts an exit meeting with the Participant, which result set forth in an exit meeting report signed by the Operator and the Participant's competent officer.
6. In the event of Participant compliance monitoring, the Operator may request the Participant to conduct testing of its infrastructure which used in Sistem BI-RTGS operation.
7. The Operator delivers a letter to the Participant on monitoring result and follow-up which shall be conducted by the Participant to fulfill the provisions determined by the Operator.
8. The Participant obliges to conduct further actions response to the monitoring result set forth in number 7.

## X. ADMINISTRATIVE SANCTION IMPOSITION PROCEDURE

- A. Administrative Sanction Related to Obligation to Maintain Smoothness and Security of Sistem BI-RTGS Usage
  1. Participant which fails to meet the obligations to maintain smoothness and security of Sistem BI-RTGS usage set forth in point III.I.1 will be imposed with an administrative sanction in the form of written warning.

2. In the event the Participant fails to conduct further actions of written warning set forth in number 1 within no later than 30 (thirty) days as from the written warning received, the Participant may be imposed with an administrative sanction in the form of participation status demotion.

B. Administrative Sanction related to Obligation to Inform Transaction Fee

Any Participant failing to inform transaction fee in Sistem BI-RTGS operation to their customers in a transparent manner set forth in point III.1.5 will be imposed with an administrative sanction in the form of written warning.

C. Administrative Sanction Related to the Construction of Fund Settlement Instruction

1. The sending Participant, which fills in transaction code which does not match with the code, determined by the Operator as set forth in point V.A.7.b.3 and V.B.2.b, will be imposed with an administrative sanction in the form of payment obligation.
2. The administrative sanction in the form of payment obligation set forth in number 1 is determined Rp100,000.00 (one hundred thousand rupiah) per Fund Settlement instruction, with the maximum payment obligation amount of Rp10,000,000.00 (ten million rupiah) in the current month.
3. The administrative sanction set forth in number 1 is imposed by debiting the Participant's Current Account in Bank Indonesia.

D. Administrative...

D. Administrative Sanctions Related to Obligations for Fund

Settlement Instruction Delivery and Fund Forwarding

1. The sending Participant, failing to send Fund Settlement instruction to the receiving Participant according to the determined time limit, will be imposed with an administrative sanction as determined in Bank Indonesia regulation on customer protection in fund transfer operation through Sistem BI-RTGS.
2. The receiving Participant, failing to forward fund to the receiving customer according to the determined time limit, will be imposed with an administrative sanction as determined in Bank Indonesia regulation on customer protection in fund transfer operation through Sistem BI-RTGS.

E. Administrative Sanctions Related to Report Submission Obligation

1. Participant who delays in and/or fails to submit the periodic report set forth in point X.4.b.1, the following provisions apply:
  - a. The Participant will be imposed with an administrative sanction in the form of payment obligation of Rp 500,000.00 (five hundred thousand rupiah) per delay business day, with the maximum payment obligation amount of Rp15,000,000.00 (fifteen million rupiah).
  - b. The administrative sanction in the form of payment obligation set forth in letter a is imposed by debiting the Participant's Current Account.

c. The...

- c. The Participant, which is declared fails to submit the periodic report set forth in point X.4.b.1).e will be imposed with an administrative sanction in the form of payment obligation set forth in letter a and administrative sanction in form of written warning.
    - d. The Participant, which fails to conduct further action to response the administrative sanction in the form of written warning set forth in letter c no later than 30 days as from the written warning, will be imposed with an administrative sanction in the form of participation status d demotion.
  - 2. The Participant, which fails to submit the occasional report set forth in point IX.4.b.2, will be imposed with an administrative sanction in the form of written warning.
- F. Administrative Sanction Related to Obligation of Data, Information, and/or Document Submission
- Any Participant fails to submit data, information, and/or documents on Fund Settlement operation through Sistem BI-RTGS set forth in point II.I.6 will be imposed with an administrative sanction in the form of written warning.
- G. Administrative Sanction Related to Obligation to Grant Access to the Operator
- 1. The Participant fails to grant access to the Operator to conduct on-site examination set forth in point IX.5.b.2 will be imposed with an administrative sanction in the form of written warning.



2. The Participants fails to conduct further action on administrative sanction in the form of written warning set forth in number 1 no later than 7 (seven) days as from the written warning received may be imposed with an administrative sanction in the form of participation status demotion.

H. Administrative Sanction Related to Obligation of Conducting Further Action on Monitoring Result

1. The Participants fails to conduct further action on monitoring result set forth in point X.8 will be imposed with an administrative sanction in the form of written warning.
2. The Participant fails to conduct further action on administrative sanction in the form of written warning set forth in number 1 no later than 7 (seven) days as from the written warning received may be imposed with an administrative sanction in the form of participation status demotion.

XI. MISCELLANEOUS PROVISIONS

1. Parties set forth in point III.A.1, which have become Sistem BI-RTGS Participants under Bank Indonesia Circular Letter Number 12/1/DASP dated 21 January 2010 on Operation of Bank Indonesia Real Time Gross Settlement System as amended by Bank Indonesia Circular Letter Number 16/18/DPSP dated 28 November 2014, are declared to remain as BI-RTGS Participants hereunder.

2. The existing Sistem BI-RTGS usage agreements between the Operator and Participant prior to the enforcement hereof are declared invalid and shall be replaced with Sistem BI-RTGS usage agreements between the Operator and Participant referring to the agreement content set forth in Appendix IV.
3. The Operator may determine different policies or provisions on real-time Fund Settlement through Sistem BI-RTGS for Bank Indonesia and any other institution approved by the Operator as Participant based on certain needs and characteristics.
4. Appendix I to Appendix XIII constitute an inseparable part hereof.

## XII. CONCLUDING PROVISION

1. Provision for JKD provision from Participant's back up site to Bank Indonesia set forth in point III.I.1.h.3).a) shall be fulfilled by the Participant no later than June 30<sup>th</sup> 2016.
2. Provision for charging of activity time period extension fee to the Participant set forth in point VI.B.1.a.3) comes into force on January 1<sup>st</sup> 2016.
3. Provision for charging of Guest Bank Facility usage fee to the Participant set forth in point VI.B.1.a.5) comes into force on January 1<sup>st</sup> 2016.
4. Provision for maximum cost limit charged by the Participant to customer set forth in point VI.C.1 comes into force on July 1<sup>st</sup> 2016.

5. Provision for Participant's obligation to submit periodic reports in the form of Compliance Assessment Report (LHPK) set forth in point IX.4.b.1).a) comes into force for reporting period of 2016.
6. Provision for administration sanction imposition in the form of payment obligation for transaction code filling violation set forth in point X.C.2 other than TSA transaction code set forth in point V.A.7.b.3) comes into force on July 1<sup>st</sup> 2016.
7. Provision for administration sanction imposition in the form of payment obligation on Participant who delays in and/or does not submit the periodic reports set forth in point X.E.1.a comes into force on July 1<sup>st</sup> 2016.
8. At the time of this Bank Indonesia Circular Letter comes into force:
  - a. Bank Indonesia Circular Letter Number 10/9/DASP dated March 5th 2008 on Principles of Sistem BI-RTGS Operation and Supervision;
  - b. Bank Indonesia Circular Letter Number 10/12/DASP dated March 5th 2008 on Fee of Using Sistem Bank Indonesia Real Time Gross Settlement and Sistem Kliring Nasional Bank Indonesia for the operation of Treasury Single Account;
  - c. Bank Indonesia Circular Letter Number 12/1/DASP dated January 21<sup>st</sup> 2010 on Operation of Sistem Bank Indonesia Real Time Gross Settlement; and
  - d. Bank Indonesia Circular Letter Number 16/18/DASP dated November 28<sup>th</sup> 2014 on Amendment of Bank Indonesia Circular Letter Number 12/1/DASP dated January 21<sup>st</sup> 2010

on Operation of Sistem Bank Indonesia Real Time Gross  
Settlement,

Shall be revoked and declared not applicable..

This Bank Indonesia Circular Letter comes into force on November 16<sup>th</sup>  
2015.

For public cognizance, ordering the promulgation of this Bank  
Indonesia Circular Letter by placing it in the State Gazette of the Republic of  
Indonesia.

Your attention shall be highly appreciated.

BANK INDONESIA, *(countersigned)*

*(signed)*

BRAMUDIJA HADINOTO

HEAD OF PAYMENT SYSTEM

MANAGEMENT DEPARTMENT